

On Friday, September 29, 2023, HUD’s Office of Public and Indian Housing (PIH) issued [Notice PIH 2023-27](#) to provide guidance to PHAs on the implementation of sections 102 (income reexaminations) and 104 (asset limitations) of the Housing Opportunity Through Modernization Act of 2016 ([HOTMA](#)). You’re probably wondering when your PHA needs to update their policies and when your PHA needs to implement HOTMA. We’re here to help.

When does the PHA’s policy need to be updated?

Prior to issuance of the HOTMA implementation guidance, In an [email](#) to executive directors in July, HUD stated *PHAs must bring their programs into compliance with the HOTMA final rule as quickly as possible, but no later than January 1, 2025*. However, at the time, HUD was requiring that administrative plans and ACOPs be updated no later than January 1, 2024. **With the publication of the implementation guidance last week, this is no longer true, and PHAs have more time to get their policies updated.**

How quickly PHAs are required to have their ACOPs and admin plans updated now depends on the PHA’s fiscal year start date. PHAs must have their plan and policies updated the **earliest** of:

- 75 days prior to the start of their fiscal year (beginning with 7/1/24 PHAs);
- 75 days prior to their compliance date (if the PHA selects a compliance date prior to the start of their fiscal year); or
- October 18, 2024 (for PHAs with fiscal year start dates of 1/1/25 and 4/1/25).

Further, since the changes under HOTMA will most likely constitute a significant amendment to the PHA Plan, HUD requires that the PHA:

- Hold a public hearing with at least 45 days’ advance notice, with all relevant documents and information made available at the PHA’s office
- Consider the recommendations by the resident advisory board
- Obtain approval by the PHA’s board of commissioners

Below is a chart in determining your annual plan and policy due date:

FY Start Date	PHA Plan Submission Date	PHA Policy Completed	Draft PHA policy available for public comment	Announce public hearing
7/1/24	4/17/24	4/17/24	3/3/24	Mid-Feb
10/1/24	7/18/24	7/18/24	6/3/24	Mid-May
1/1/25	10/18/24	10/18/24	9/3/24	Mid-Aug
4/1/25	1/16/25	10/18/24*	9/3/24	Mid-Aug
	<i>Required: 75 days prior to FY start date</i>	<i>*Latest compliance date is 1/1/25</i>	<i>Required: 45-day public comment period</i>	<i>Unless state law requires a longer period</i>

Nan McKay is here to help. If you are a model policy subscriber, rest assured that we are working on updating your model policies right now.

When does the PHA need to comply with HOTMA?

The PHA's HOTMA compliance date is the date on which the PHA will begin implementing its new HOTMA-compliant policies. Although page 6 of Notice PIH 2023-27 states that the PHA "*must pick a compliance date that falls before the deadline for their PHA Plan submission,*" Nan McKay has confirmed with HUD that this statement is inaccurate and will be removed from the notice. **PHAs may pick a compliance date any time in 2024, but no later than January 1, 2025.** The PHA's compliance date will be dictated by when the new Housing Information Portal (HIP) is accepting certifications, and the PHA's software vendor indicates that the PHA may begin submitting certification to HIP. This means that it's too early for PHAs to pick a compliance date at this point since it is unknown when the HIP system will be operational, and the PHA's software will be updated. This also means that the PHA's policies will likely be completed and approved well ahead of when the PHA actually implements HOTMA. Until such time as your PHA implements HOTMA, you will continue to follow your existing policies.

Once the compliance date is selected, the PHA will:

- 90 to 120 days prior to the compliance date, send HOTMA-compliant annual reexamination packets to families whose annual is effective on the compliance date or later;
- Begin processing interim reexaminations that are effective on the compliance date in accordance with HOTMA regulations and updated PHA policies; and
- Begin processing new admissions that are effective on the compliance date in accordance with HOTMA regulations and updated PHA policies.

FY Start Date	Compliance Date	HOTMA-Compliant Recert Packets Sent
7/1/24	TBD – prior to 1/1/25	90 to 120 days prior to compliance date
10/1/24	TBD – prior to 1/1/25	90 to 120 days prior to compliance date
1/1/25	TBD – prior to 1/1/25	90 to 120 days prior to compliance date
4/1/25	TBD – prior to 1/1/25	90 to 120 days prior to compliance date