



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

GENERAL DEPUTY ASSISTANT SECRETARY
FOR PUBLIC AND INDIAN HOUSING

January 28, 2022

SUBJECT: FAQs on Implementation of HOTMA's Public Housing Income Limit

Dear Executive Director,

Today, HUD is issuing [Frequently Asked Questions \(FAQs\)](#) on implementing the Housing Opportunity Through Modernization Act's (HOTMA) public housing income limit. As you know, HUD is continuing work to complete a final rule for implementation of several HOTMA provisions and expects to publish a final rule in the latter half of 2022. In the absence of the final rule, PHAs have inquired about how to administer the over-income requirements made effective through the 2018 *Federal Register* Notice that implemented Section 103 of HOTMA.

The FAQs address the questions HUD has received about the potential for PHAs, on or after January 1, 2022, to terminate over-income public housing families who have been over income for two consecutive years, as required by section 103 of HOTMA. HUD will not enforce the termination requirement until such time that HUD publishes the final rule, and it takes legal effect, so that PHAs and families can make an informed choice related to alternative rent options.

The primary takeaways from the FAQs are as follows:

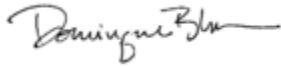
- HUD will not enforce the 2018 HOTMA Public Housing Income Limit Notice ("2018 Notice") that may under some circumstances require PHAs to terminate families who have been over-income for two consecutive years.
- PHAs *may* terminate such families under the Admission and Continued Occupancy Policy (ACOP) formulated in accordance with the 2018 Notice but currently *may not* charge such families an alternative rent while they remain in the public housing unit. Instead, the families will continue to be considered public housing families and must be offered the option of paying an income-based rent or a flat rent at their next annual reexamination.
- Future implementation of the HOTMA rule will require PHAs to either terminate families who have been over-income for two consecutive years or charge such families an alternative rent, in accordance with a PHA's ACOP.
- HUD will issue separate guidance on the over-income CARES Act waivers.

Please see the [FAQs](#) for more detailed information about the over-income provisions. You can also access the FAQs from the [PIH COVID-19 Resources](#) webpage.

If you have any questions, please direct these questions to the attention of Monica Shepherd, Director, Public Housing Management and Occupancy Division, at PublicHousingPolicyQuestions@hud.gov.

As always, thank you for all you and your staff have done to provide safe and stable housing to families in need during the pandemic.

Sincerely,



Dominique Blom

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We hope you enjoy receiving these messages from HUD's Office of Public and Indian Housing.

Public Housing Agency contact information is retrieved from HUD's Public Housing Information Center (PIC).

If your agency's contact information is out of date, please update PIC with the correct contact information.

We update our email lists from PIC twice a month, so you should see your change reflected after two weeks.

Thank you for furthering HUD's mission in the communities you serve.