



**Revision Fiscal Year 2022/2023
Admissions and Continued Occupancy Plan
Summary of Changes
Public Housing- Over Income (HOTMA)**

On February 14, 2023, HUD enacted Section 103 of the Housing Opportunity Through Modernization Act (HOTMA) regarding income limits for the Public Housing program. PHA’s are required to make updates to agency plans for this Section within (120) days of enactment. The following revisions to HACSJ’s Public Housing Admissions and Continued Occupancy Plan are proposed to be effective June 1, 2023.

ACOP Reference	Current	Proposed
<p>Chapter 13, Lease Terminations, Page 13-13 to 13-15</p>	<p>Over-Income Families [24 CFR 960.261 and FR 11/26/04, p. 68786, PIH-2019-11(HA)]</p> <p>The Housing Opportunity Through Modernization Act (HOTMA) of 2016 placed an income limitation on public housing tenancies. The over-income requirement states that after a family’s adjusted income has exceeded 120 percent of area median income (AMI) (or a different limitation established by the secretary) for two consecutive years, the PHA must either terminate the family’s tenancy within six months of the determination, or charge the family a monthly rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit, including amounts from the operating and capital funds, as determined by regulations.</p> <p>Notice PIH 2019-11 also requires that PHAs publish over-income limits in their ACOP and update them no later than 60 days after HUD publishes new income limits each year. The over-income limit is calculated by multiplying the very low-income limit (VLI) by 2.4, as adjusted for family size.</p> <p>PHAs also have discretion, under 24 CFR 960.261, to adopt policies allowing</p>	<p>Updated Public Housing over-income policy to reflect HUD and HACSJ policy revisions:</p> <p>Over-Income Families [24 CFR 960.261 and FR 11/26/04, p. 68786, PIH-2019-11(HA)][24 CFR 960.507 & 960.509][Updates Effective 06/01/2023]</p> <p>The Housing Opportunity Through Modernization Act (HOTMA) of 2016 placed an income limitation on public housing tenancies. The over-income requirement states that after a family’s adjusted income has exceeded 120 percent of area median income (AMI) (or a different limitation established by the secretary) for two consecutive years, the PHA must either terminate the family’s tenancy within six months of the determination, or charge the family a monthly rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit, including amounts from the operating and capital funds, as determined by regulations.</p> <p>Notice PIH 2019-11 also requires that PHAs publish over-income limits in their ACOP and update them no later than 60 days after HUD publishes new income limits each year. The over-income limit is calculated by multiplying the very low-income limit</p>

	<p>termination of tenancy for families whose income exceeds the limit for program eligibility. Such policies would exempt families participating in the Family Self-Sufficiency (FSS) program or currently receiving the earned income disallowance.</p> <p style="text-align: center;"><u>HACSJ Policy</u></p> <p>At annual or interim reexamination, if a family’s adjusted income exceeds the applicable over-income limit, the PHA will document the family file and begin tracking the family’s over-income status.</p> <p>If one year after the applicable annual or interim reexamination the family’s income continues to exceed the applicable over-income limit, the PHA will notify the family in writing that their income has exceeded the over-income limit for one year, and that if the family continues to be over-income for 12 consecutive months, the family will be subject to the PHA’s over-income policies.</p> <p>If two years after the applicable annual or interim reexamination the family’s income continues to exceed the applicable over-income limit, the PHA will charge the family a rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit. The PHA will notify the family in writing of their new rent amount. The new rent amount will be effective 30 days after the PHA’s written notice to the family.</p> <p>If, at any time, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHA policy. If, as a result, the previously over-income family is now below the over-income limit, the family is no longer subject to over-income provisions as of the</p>	<p>(VLI) by 2.4, as adjusted for family size.</p> <p>PHAs also have discretion, under 24 CFR 960.261507, to adopt policies allowing termination of tenancy for families whose income exceeds the <u>income limits</u>. for program eligibility. Such policies would exempt families participating in the Family Self-Sufficiency (FSS) program or currently receiving the earned income disallowance.</p> <p>At annual or interim reexamination, if a family’s adjusted income exceeds the applicable over-income limit, the PHA will <u>notify the family of the determination</u>, document the family file and begin tracking the family’s over-income status.</p> <p>If one year after the applicable <u>determining</u> annual or interim reexamination the family’s income continues to exceed the applicable <u>current</u> over-income limit, the PHA will notify the family in writing that their income has exceeded the over-income limit for one year, and that if the family continues to be over-income for <u>another</u> 12 consecutive months, the family will be subject to the PHA’s over-income policies.</p> <p><u>If prior to the 24-month anniversary, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with HACSJ policy. If, as a result, the previously over-income family is now below the over-income limit, the family is no longer subject to over-income provisions as of the effective date of the recertification.</u></p> <p><u>The HACSJ will notify the family in writing that over-income policies no longer apply to them. If the family’s income later exceeds the over-income limit again, the family is entitled to a new two-year grace period.</u></p>
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effective date of the recertification.

The PHA will notify the family in writing that over-income policies no longer apply to them. If the family's income later exceeds the over-income limit again, the family is entitled to a new two-year grace period.

The PHA will not evict or terminate the tenancies of families whose income exceeds the income limit for program eligibility as described at 24 CFR 960.261.

The PHA will rely on the following over-income limits. These numbers will be updated within 60 days of HUD publishing new income limits each year and will be effective for all annual and interim reexaminations once these policies have been adopted.

Family Size	1	2	3	4	5	6	7	8
Over-Income Limit	\$69,600	\$79,560	\$89,520	\$99,360	\$107,400	\$115,320	\$123,240	\$131,160

For families larger than 8 persons, the over-income limit will be calculated by multiplying the applicable very-low income limit by 2.4.

The PHA may allow an exception to participants of the following programs:

- Family Self Sufficiency (FSS) Program
- Jobs Plus Earned Income Disregard Program

HACSJ Policy

~~If two years a~~ After 24 consecutive months of being over income ~~the applicable annual or interim reexamination the family's income continues to exceed the applicable over-income limit~~, the PHA will charge the family ~~a rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit.~~ the alternative non-public housing rent. ~~The family will also be required to sign a new non-public housing over income lease within (60) days.~~ The PHA will notify the family in writing of their new rent amount. ~~The new rent amount will be~~ effective at least (30) days after the PHA's written notice to the family. Prior to the over income result (i.e. termination or alternative rent) the family will continue to be a public housing program participant.

Families failing to execute the non-public housing over income lease within (60) calendar days of the date of the notice or at the next lease renewal, whichever is sooner, will be terminated from the program no later than 6 months after the 24-month notice. The PHA will continue to charge over income families the family's choice of income based, flat rent or pro-rated rent (for mixed families) during the time before termination.

During the termination period HACSJ may permit an over income family to remain in the unit due to a documented hardship, as defined in 24 CFR 5.630(b), if requested at least (30) days from lease end by (24 CFR 960.507(a)):

Executing the non-public housing over income lease and
Paying the total difference between the alternative non-public housing rent dating back to the point in time that the

		<p><u>over-income family was required to execute the lease.</u></p> <p><u>Non-Public Housing Over Income (NPHOI) families may reapply for the Public Housing program and become subsidized in their unit again if the family becomes income eligible and the waiting list is open. Should a NPHOI family fall below the Very-Low Income Limit while applying or on the waiting list they will be eligible for a (1) point “Lease In-Place” preference to receive rental assistance in their current unit.</u></p> <p>If, at any time, an over income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHA policy. If, as a result, the previously over income family is now below the over income limit, the family is no longer subject to over income provisions as of the effective date of the recertification.</p> <p>The PHA will notify the family in writing that over income policies no longer apply to them. If the family’s income later exceeds the over income limit again, the family is entitled to a new two-year grace period.</p> <p><u>Families may remain in the unit paying the alternative non-public housing rent until the families AMI reaches 150%. After the family reaches 150% or greater AMI the families lease will not be renewed at the end of the current lease period.</u></p> <p>If, at any time, an over income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHA policy. If, as a result, the previously over income family is now below the over income limit, the family is no longer subject to over income</p>
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		<p>provisions as of the effective date of the recertification.</p> <p>The PHA will notify the family in writing that over-income policies no longer apply to them. If the family's income later exceeds the over-income limit again, the family is entitled to a new two-year grace period.</p> <p>The PHA will not evict or terminate the tenancies of families whose income exceeds the income limit for continued program eligibility as described at 24 CFR 960.261.</p> <p>For families larger than 8 persons, the over-income limit will be calculated by multiplying the applicable very-low income limit by 2.4.</p> <p>The PHA will rely on the following over-income limits. These numbers amounts will be updated within 60 days of HUD publishing new income limits each year and will be effective for all annual and interim reexaminations once these policies have been adopted.</p> <table border="1" data-bbox="1013 1226 1495 1350"> <thead> <tr> <th>Family Size</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> </tr> </thead> <tbody> <tr> <td>Over-Income Limit -120%</td> <td>\$69,600</td> <td>\$79,560</td> <td>\$89,520</td> <td>\$99,360</td> <td>\$107,400</td> <td>\$115,320</td> <td>\$123,240</td> <td>\$131,160</td> </tr> <tr> <td>Termination Limit-150%</td> <td>\$87,000</td> <td>\$99,450</td> <td>\$111,900</td> <td>\$124,200</td> <td>\$134,250</td> <td>\$144,150</td> <td>\$154,050</td> <td>\$163,950</td> </tr> </tbody> </table> <p>The PHA may allow an exception to participants of the following programs: Family Self Sufficiency (FSS) Program Jobs Plus Earned Income Disregard Program</p>	Family Size	1	2	3	4	5	6	7	8	Over-Income Limit -120%	\$69,600	\$79,560	\$89,520	\$99,360	\$107,400	\$115,320	\$123,240	\$131,160	Termination Limit-150%	\$87,000	\$99,450	\$111,900	\$124,200	\$134,250	\$144,150	\$154,050	\$163,950
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<p>Glossary, Page 10</p>		<p>Added definitions per HOTMA: <u>Non-public housing over-income family.</u> A family that is above over-income limit but is remaining in their unit, paying the alternate non-public housing rent. These families will no longer be housing program (PHP) participants.</p>																											

		<p><u><i>Over-income family.</i> A family whose income exceeds the over-income limit</u></p> <p><u><i>Over-income limit.</i> This limit is set by multiplying the very low-income level for the applicable area by a factor of 2.4</u></p>
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Current

Family Size	1	2	3	4	5	6	7	8
Over-Income Limit	\$69,600	\$79,560	\$89,520	\$99,360	\$107,400	\$115,320	\$123,240	\$131,160

Proposed

Family Size	1	2	3	4	5	6	7	8
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HUD Income Limits Eff 4/18/22