

## Over Income Public Housing Families

The Housing Opportunity Through Modernization Act (HOTMA) of 2016 was signed into law in February of 2023. Effective June 2023, Housing Authorities are required to implement one of the new HUD policies for Over Income Public Housing Families.

If it is determined at a certification that a household is over income by the HUD guidelines described below, HACE will send an Initial Determination Notice informing the family that they are over the income guidelines.

12 months after the certification which showed the over income status, the family will be required to have another full certification completed. If at that time, the household is still over income, the family will receive a second notice from HACE to that effect.

After an additional 12 months (24 months from initial determination) another certification will be completed. If the household is still over income, the family will be required to pay a higher rent based on HUD published rents or Fair Market Rent, whichever is higher. The published rents for Non-Public Housing Families and the Fair Market Rents are updated by HUD on an annual basis. These rent amounts can vary for each housing community.

During the 24-month period of time after the initial determination, families are still considered Public Housing residents and may take part in any HACE programs or services specifically for Public Housing residents, including the Family Self Sufficiency Program (FSS).

If at any time during the 24-month period the household income decreases, the family should report the change to the management office to have a new certification completed. If it is verified that the gross household income has decreased and the family is no longer over the income limit, the 24-month grace period will stop and no longer apply to the household.

If the household has an increase in income in the future that makes the family over income, the 24-month time period will start over.

At the end of the 24-month period, the household will no longer be considered a public housing family and will not be able to participate in any HACE programs or services specifically for Public Housing residents. The household will be required to sign a new (non-public housing) lease within 60 days of the last notice. At this time Households can be billed for utilities as well.

If after a household has been deemed as a Non-Public Housing Over Income family (NPHOI), the gross income decreases below the current over income threshold, they will have the option to complete a new application and re-apply for subsidy as if they were a new applicant. HACE has a preference for families in this situation so that their application will go to the top of the Public Housing wait list. Once determined eligible, the household can receive a subsidy again.

The calculation to determine if a household is over income is computed by taking the current Very Low Income Limit (50% AMI) for the household size and multiplying it by 2.4. HACE will then compare it to the household's total gross income. This income will include all sources of income, whether from employment, unemployment, Social Security, or a business, as defined by HUD.

Preference for Non-Public Housing Over Income families (NPHOI) who currently reside in a public housing unit.

If a family who was considered a NPHOI household and continues to occupy the former public housing unit, has a decrease in income that brings them below the HUD over income calculation, which is the current Very Low-Income Limit multiplied by 2.4, the family has the option to complete a new application and be placed at the top of the waitlist. Once the application is received, HACE staff will promptly process the application to ensure eligibility. The family will then be notified if they qualify to receive a subsidy again.