February 26, 2025

Mr. Ben Hobbs
Principal Deputy Assistant Secretary
Office of Public and Indian Housing
U.S. Department of Housing and Urban Development
451 Seventh Street SW
Washington, DC 20410

RE: Concerns regarding the rollout of the Housing Information Portal (HIP) and request to defer compliance date for Sections 102 and 104 of the Housing Opportunity Through Modernization Act of 2016

Dear Mr. Hobbs,

The undersigned housing authorities and software vendors, along with major housing industry groups CLPHA, PHADA, NAHRO, and the MTW Collaborative, write to you to urge that HUD:

1. Develop a HIP migration plan in collaboration with software vendors and PHAs;
2. Prioritize first rolling out the Housing Information Portal (HIP) software system using the current (2020) versions of Form 50058 that do not include HOTMA income and asset changes;
3. Provide software vendors with the Technical Reference Guide (TRG) that includes information on new HOTMA-compliant forms as soon as possible so they can program their software;
4. Provide at least one full year after HIP is launched before requiring compliance with Sections 102 and 104 of the Housing Opportunity through Modernization Act (HOTMA).

The Council of Large Public Housing Authorities (CLPHA), the Moving to Work Collaborative (MTW Collaborative), the National Association of Housing and Redevelopment Officials (NAHRO), and the Public Housing Authorities Directors Association (PHADA), represent almost all the 3,300+ public housing authorities (PHAs) in the United States. Our members work every day to house vulnerable individuals and families in communities throughout our nation while also maximizing the impact of federal funding and ensuring that taxpayer dollars are spent in compliance with all statutes and regulations.

Background on the Housing Information Portal (HIP)
The Housing Information Portal (HIP) will be the successor system to the Public and Indian Housing Information Center (PIC). We agree with the Department's assessment that PIC is "outdated [and] unstable" and in desperate need of replacement, as the antiquated PIC system cannot be modified to accommodate HOTMA-compliant 50058 forms. The PIC technology currently in use includes uploading families' sensitive, personally-identifiable information (PII) data via non-secure systems.

The migration from PIC to HIP will be, arguably, HUD's largest and most complicated technical undertaking ever. Data from the outdated PIC system will need to be migrated to HIP, and these data will need to be validated by both HUD and local housing authority staff. Vendors will need to program their software to interface properly with HIP to ensure a seamless transition for PHA staff entering data on the ground. The need to launch HIP is critical but it cannot be rushed.

In preparation for this transition, HUD has developed a new version of the Form 50058 that is compliant with HIP but does not incorporate new income and asset provisions associated with HOTMA and discussed in the following section. This form is often referred to as the '2020' version of the 50058 based on its publication date. All vendor testing of HIP has, thus far, only used the 2020 version of the 50058 form.

Background on Sections 102 and 104 of HOTMA
Since Congress passed the Housing Opportunity through Modernization Act (HOTMA) in 2016, HUD has adopted a piecemeal implementation approach such that, nearly nine years after its passage, the Department is still working to implement the key income and asset portions of the law (Sections 102 and 104). To that end, HUD only published the final rule for those sections in February 2023 and has yet to fully implement them two years later.

Importantly, these new statutory provisions will require PHAs to use new versions of Form 50058 when submitting tenant-level data to HUD. The legacy PIC system cannot be modified to accommodate new HOTMA-compliant 50058 forms. HUD has opted to only program the new HOTMA-compliant 50058 forms into HIP. This means that <u>PHAs cannot implement HOTMA Sections 102 and 104 until HUD rolls out the HIP system</u>.

Given HUD's disjointed implementation approach and delays in providing full implementation guidance, CLPHA, PHADA, NAHRO and the MTW Collaborative wrote to HUD in May 2023 requesting a deferral of the HOTMA Sections 102 and 104 compliance date to January 1, 2025. HUD later adopted this deferred compliance date in PIH Notice 2023-27. However, continued delays to the development of HIP have, we believe, necessitated additional delays to HOTMA implementation.

HIP Rollout Considerations:
As previously noted, PHAs cannot comply with HOTMA using their current software systems and the current Form HUD-50058. <u>We ask that HUD prioritize rolling out the HIP system with the pre-HOTMA, 2020 version of Form 50058</u>. Most major software vendors are ready to move forward with HIP using the current versions of Form 50058, and testing HIP with the new, HOTMA-compliant forms will take more time. We urge the Department to move forward with HIP using current pre-HOTMA forms, which will provide vendors and PHAs with a longer runway to ensure a successful transition.

No software vendors can complete their programming for HOTMA without a complete Technical Reference Guide (TRG) that includes information on the new, HOTMA-compliant versions of forms. Additionally, many smaller software vendors have elected not to start this programming yet in order to save costs by avoiding the possibility of having to make revisions. <u>We also ask that HUD provide software vendors with an updated Technical Reference Guide (TRG) that includes programming info on the new, HOTMA-compliant versions of forms</u>.
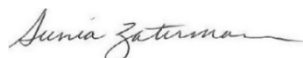
At least six months of User Acceptance Testing (UAT) will ensure that the HIP system is ready to go using both current and new versions of forms before the Department begins migrating over 3,300 PHAs to the new system. The PIC to HIP migration process will be incredibly stressful for the Department, PHAs, and vendors, with significant potential implications for tenant households, and it is crucial that HIP be fully vetted so that there are no additional challenges or risks imposed on this process. The six-month UAT period will also provide time for HUD to develop a HIP migration plan in collaboration with vendors and PHAs.

<u>Need for Delayed Compliance of Sections 102 and 104 of HOTMA:</u>
<u>We ask the Department to provide at least one full calendar year from the delivery of a completed TRG to vendors and the nationwide rollout of HIP before requiring compliance with HOTMA Sections 102 and 104</u>. Doing so will allow HAs to target their limited resources to HIP migration and training and to address other Departmental regulations that must be implemented in 2025, most notably NSPIRE-V and Build America, Buy America (BABA). Vendors need HUD to provide a complete, validated Technical Reference Guide and HOTMA-compliant 50058 form in order to program their software and test it thoroughly to ensure there are no issues. Vendors and PHA staff will need ample time to be trained on the new systems. A full 12-month HOTMA rollout period will also provide ample time for PHAs, vendors, and HUD to troubleshoot any problems with the HIP system that arise after nationwide adoption.

We appreciate your consideration of our request and look forward to working with you to ensure that PHAs across the country continue to meet their core mission of providing safe, sanitary, and decent housing to low-income families.
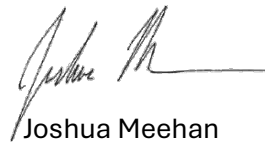

Sincerely,

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Executive Director
CLPHA

Timothy G. Kaiser
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Mark Thiele
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Joshua Meehan
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<u>Industry Group Signatories:</u>

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Housing agency signatories:

New York City Housing Authority
King County Housing Authority
Los Angeles County Development Authority
San Diego Housing Commission
Louisville Metro Housing Authority
Home Forward
Housing Authority of Baltimore City
Santa Clara County Housing Authority
Housing Authority of the County of San
    Bernardino
Opportunity Home San Antonio
Housing Authority of the City of Austin
Housing Authority of the City of Pittsburgh
Housing Authority of the City of Durham
Oklahoma City Housing Authority
Cambridge Housing Authority
Vancouver Housing Authority
Akron Metropolitan Housing Authority
The City of Everett Housing Authority
Mobile Housing Authority
Housing Connect
Tarrant County Housing Assistance Office
Bristol Redevelopment and Housing Authority
Housing Authority of Fort Mill
Housing Authority of Snohomish County
HomeFront
South Milwaukee Housing Authority
Wray Housing Authority
Arkadelphia Housing Authority
Sawyer County Housing Authority
Hermansville Housing Commission
Ravenna Housing Authority (Grand Manor)
Harvard Housing Authority
Plymouth Housing Commission
Hamtramck Housing Commission
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Software vendor signatories:

Yardi Systems, Inc.
Kanso Software
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MRI Real Estate Software LLC

Other organizations:

Compass Working Capital
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