

CHANGES TO 49 CFR PART 24



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Executive Summary

Effective June 3, 2024, the Federal Highway Administration (FHWA) has enacted significant amendments to 49 CFR Part 24, governing the Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs. These changes are designed to improve clarity, enhance fairness, and ensure up-to-date standards are applied in the administration of relocation assistance and property acquisition.

Key highlights of the amendments include:

- 1. **Updated Definitions:** Revisions and additions to definitions, particularly for "comparable replacement dwelling," "decent, safe, and sanitary (DSS) dwelling," and "displaced person," aim to clarify eligibility and requirements.
- 2. **Notices and Electronic Signatures:** Agencies are now permitted to deliver notices via electronic means and by companies other than the United States Postal Service, providing flexibility and efficiency in communication.
- 3. Adjustment of Limits and Payments: FHWA is authorized to adjust waiver valuation limits and maximum relocation benefit payments based on factors like inflation, ensuring that compensation remains fair and adequate over time.
- 4. **Voluntary Acquisitions**: Specific conditions under which property acquisitions are considered voluntary have been delineated, ensuring transparency and fairness in negotiations.
- 5. **Appraisal Waivers:** The introduction of three tiers of appraisal waivers (up to \$50,000) simplifies the appraisal process, with specific provisions for higher valuation situations.
- 6. **Conflict of Interest Provisions:** Enhanced guidelines address potential conflicts of interest, particularly in higher-value negotiations, to maintain integrity and public trust.
- 7. **Temporary Relocations:** Consolidated information on benefits and requirements for persons required to move temporarily, ensuring comprehensive support during temporary displacements.
- 8. **Nonresidential Payments:** Increased limits for nonresidential payments, including searching expenses (\$5,000), reestablishment expenses (\$33,200), and fixed payments (up to \$53,200), better align with current economic conditions.
- 9. **Residential Move Reimbursement:** Authorization of five methods for reimbursing residential move costs provides flexibility to accommodate diverse relocation scenarios.
- 10. **Replacement Housing Payments:** Increased maximum payments for both 90-day homeowneroccupants (\$41,200) and tenants (\$9,570), ensuring adequate compensation for those displaced.

These amendments reflect FHWA's commitment to fair and equitable treatment of individuals and businesses affected by federal and federally assisted projects. By modernizing the regulations, the FHWA aims to enhance procedural efficiency and improve outcomes for all stakeholders involved in the relocation and acquisition process.



Summary Table of Major Changes

Section	<u>Change</u>
§24.2(a) Definitions	Definitions revised and added.
§24.5 Manner of notices & E-	Notices may be delivered by companies other than USPS; electronic
signatures	delivery and signatures permitted with safeguards.
§24.11 Adjustment of limits and	Authorizes FHWA to adjust waiver valuation limits and maximum
payments	relocation benefits payments.
§24.101(b) Voluntary Acquisition	Conditions for voluntary acquisition defined.
§24.102(c)(2)(ii) Appraisal Waivers	Three tiers of appraisal waivers established.
§24.102(n) Conflict of Interest	Provisions for conflict of interest for higher amounts.
§24.202(a) Temporary Relocation	New subsection for persons required to move temporarily.
Changes in Non-Residential	Searching expenses increased to \$5,000; Reestablishment
Payments	expenses increased to \$33,200; Fixed payments range from \$1,000
	to \$53,000.
§24.301(b) Moves from a Dwelling	Five methods for reimbursing residential move costs authorized.
§24.304 Reestablishment Expenses- non-residential moves	Maximum payment for re-establishment expenses increased to \$33,200.
§24.401(b) Replacement Housing payment for 90-day homeowner	Maximum payment amount increased to \$41,200.
occupants	
§24.402(a) Replacement Housing	Maximum payment amount increased to \$9,570.
payment for 90-day tenants and certain others	
Certain Others	

Detailed Changes by Section

Subpart A – General

§24.2(a) Definitions

- Comparable replacement dwelling: Expanded to clarify requirements for comparable replacement dwellings when displaced from a government housing program.
- Decent, safe, and sanitary (DSS) dwelling: Specifies abatement of lead-based paint must be honored; requires kitchen area as per local codes.
- Displaced person: Includes persons required to move temporarily and tenants affected by voluntary acquisitions.
- Waiver valuation: Clarifies that waiver valuations are not appraisals as defined by the Uniform Act.

§24.5 Manner of notices and electronic signatures

- Notices can be delivered by companies other than USPS.
- Federal funding agencies may approve electronic delivery of notices with proper documentation of receipt.

§24.11 Adjustments of limits and payments

• Authorizes FHWA to adjust waiver valuation limits and maximum relocation benefits.



Subpart B – Real Property Acquisition

§24.101(b) Voluntary acquisition

- Defines conditions under which acquisitions are considered voluntary.
- Agencies can seek waivers to change acquisition methods from voluntary to require if necessary.

§24.102(c)(2)(ii) Appraisal Waivers

- Establishes three tiers of appraisal waivers:
 - Tier 1: < \$15,000
 - Tier 2: \$15,000 to \$35,000
 - Tier 3: \$35,000 to \$50,000
- Agency representatives must understand valuation principles.

§24.102(n) Conflict of interest

• Defines conditions under which an appraiser or waiver valuation preparer may also act as negotiator.

Subpart C – General Relocation Requirements

§24.202(a) Persons required to move temporarily

• Consolidates information on temporary moves and associated benefits.

§24.203(d) Notice of intent to acquire, rehabilitate, and/or demolish

• Includes persons required to temporarily move.

§24.208(f)(1) Aliens Not Lawfully Present in the United States

• Agencies must verify status using the SAVE program.

Subpart D – Payments for Moving and Related Expenses

Changes in nonresidential payment limitations

- 1. Searching expenses increased to \$5,000.
- 2. Reestablishment expenses increased to \$33,200.
- 3. Fixed payments range from \$1,000 to \$53,200.

§24.301(b) Moves from a dwelling

- Authorizes five methods for reimbursing residential move costs:
 - o Commercial move
 - Self-move (Fixed Residential Moving Cost Schedule)
 - Self-move (actual costs)
 - Self-move (moving cost estimate)
 - Self-move (lower of two bids)

§24.301(d) Moves from a business, farm, or nonprofit organization

• Additional nonresidential self-move method authorized with a cap of \$5,000.

§24.301(g) Eligible actual moving expenses

• Tenant application fees and credit report costs reimbursed up to \$1,000.



Changes to 49 CFR Part 24

• Clarification on calculating actual direct loss of tangible personal property.

§24.302 Fixed payment for moving expenses – residential moves

• Allows combination of fixed residential moving cost schedule with actual storage costs.

§24.303 Related nonresidential eligible expenses

• Limits installation of utilities to costs from the site's property line to the improvement.

§24.304 Reestablishment expenses – nonresidential moves

- Maximum payment increased to \$33,200.
- New construction is generally ineligible for reestablishment payments.

Subpart E – Replacement Housing Payments

§24.401(b) Replacement housing payment for 90-day homeowner-occupants

• Maximum payment increased to \$41,200.

§24.401(e) Reverse mortgages

• Addresses increased mortgage interest costs for reverse mortgages.

§24.402(a) Replacement housing payment for 90-day tenants and certain others

• Maximum payment increased to \$9,570.

§24.402(c) Downpayment assistance payment

• Revised to include reference to housing of last resort requirements.

§24.403 Additional rules governing replacement housing payments

 Clarifies contributory value of major exterior attributes and inspection requirements for comparable housing.

For detailed information on these changes, please refer to the full text of the final rule published in the Federal Register on May 3, 2024. <u>Federal Register: Uniform Relocation Assistance and Real Property Acquisition for</u> <u>Federal and Federally Assisted Programs</u>

