

HOTMA Implementation Deadlines – Note Date of Implementation

This document was created to assist owner/agents and compliance teams in efforts to manage and document implementation of HOTMA at each site. Owner/agents of HUD MFH properties are not required to implement any changes until site software is updated. In some cases, HUD guidance requires owner/agents to update policies (EIV Policy & TSP) but wait until site software is updated to implement those policies. Owner/agents of HUD MFH properties should frequently monitor HUDs MFH HOTMA web site providing guidance related to HOTMA and HUD’s Multifamily Housing Programs. https://www.hud.gov/program_offices/housing/mfh/hotma.

RBD does not recommend changing values in site software such as deduction values, percentages used to determine Medical/Disability expenses, thresholds used to determine whether or not to impute income from assets until new site software is implemented. Changing these values or manually calculating tenant rent based on HOTMA changes could result in errors.

It is expected that when TRACS 2.0.3.A compatible software is released, HOTMA may be fully implemented.

Additionally, HUD has to approve and release new forms affected by these changes including the lease, the 50059 the 50059A and HUD Form 9887. The FACT Sheet – How Your Rent is Determined has not been updated to reflect HOTMA changes and this could cause confusion among your residents. If policy changes are implemented before HUD releases new forms, residents may become confused about when they are to report changes and when such changes can affect their rent.

In other cases, it is the owner/agent’s decision to decide which HOTMA changes should be implemented before site software is updated and when to wait for software updates before implementing a HOTMA change.

HOTMA Change	Between 1/1/2024 and when HOTMA compliant site software is available & implemented.	New Form	Site Software Update 2.0.3.A	Site Name Date Implemented
Update TSP (See RBD HOTMA TSP Checklist & EIV & TSP Discretionary Policies) https://www.rbdnow.com/resources/hotmaresources	TSP must be updated by 5/31/2024. Revisions after 5/31/2024 are allowed.	TSP	NA	
Implement TSP (See RBD HOTMA TSP Checklist & EIV & TSP Discretionary Policies) https://www.rbdnow.com/resources/hotmaresources	Must wait for 2.0.3.A	TSP	Do not wait for 2.0.3.A to update written policy but do not implement new policy until 2.0.3.A	
Update EIV Policy (See RBD HOTMA EIV Policy Checklist & EIV & TSP Discretionary)	EIV Policy must be updated by 5/31/2024. Revisions after 5/31/2024 are allowed.	EIV Policy	NA	

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Policies) https://www.rbdnow.com/resources/hotmaresources				
Implement New EIV Policy	Must wait for 2.0.3.A	EIV Policy	Do not wait for 2.0.3.A to update written policy but do not implement new policy until 2.0.3.A. Some of the changes require execution of a new lease.	
Create Hardship Exemption Policy	Requirements must be described in TSP no later than 5/31/2024. Childcare Hardship Exemption / Financial Hardship Exemption / Med/Dis Phase-in Relief	NA	See below for information about each Hardship.	
Implement Hardship Exemption Policy	Childcare Hardship Exemption / Financial Hardship Exemption / Med/Dis Phase-in Relief Suggest waiting for 2.0.3.A except for S8 Minimum Rent Hardship unless manually calculating 50059 which is NOT Recommended. 50059 will contain new fields. S8 Minimum Rent Hardship Exemption is not a HOTMA change.	50059	Suggest waiting for 2.0.3.A except for S8 Minimum Rent Hardship unless manually calculating 50059 which is NOT Recommended.	
Medical/Disability Expense Phase-in Relief	Wait for 2.0.3.A to implement but must be described in TSP no later than May 31, 2024	50059	Suggest waiting for 2.0.3.A unless manually calculating 50059 which is NOT Recommended.	
Financial Hardship Exemption (General Relief)	Wait for 2.0.3.A to implement but must be described in TSP no later than May 31, 2024	50059	Suggest waiting for 2.0.3.A unless manually calculating 50059 which is NOT Recommended.	

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Childcare Hardship Exemption	Wait for 2.0.3.A to implement but must be described in TSP no later than May 31, 2024	TSP & 50059	Suggest waiting for 2.0.3.A unless manually calculating 50059 which is NOT Recommended.	
Create Days to Report Change Policy (if not already in place)	Establishing the number of days a family has to report a change has been required since 2007. However, requirements must be described in TSP no later than 5/31/2024.	TSP	Does not require software update to implement.	
New Lease (including attachments)	Cannot implement until new leases are released by HUD. Unknown if new form will be released before 2.0.3.A	Y - Lease	Unknown if new form will be released before 2.0.3.A	
9887	Cannot implement until new 9887/9887A is released by HUD. Unknown if new form will be released before 2.0.3.A	Y - 9887	Unknown if new form will be released before 2.0.3.A	
FACT Sheet How Rent is Determined	Cannot implement until new FACT Sheets are released by HUD. Unknown if new form will be released before 2.0.3.A	Y – FACT Sheet	Unknown if new form will be released before 2.0.3.A	
Notice to Residents re: S8 Asset Restrictions (S8 only)	Enforcing S8 Asset Restrictions for existing S8 assisted residents is Optional - If enforcing or implementing limited enforcement, notify residents of pending change but do not implement until 2.0.3.A	TSP	Suggest waiting for 2.0.3.A If enforcing or implementing limited enforcement, for each family when creating first AR/IR after 2.0.3.A	
S8 Asset Cap Applicants (S8 only)	Must wait for 2.0.3.A However, requirements must be described in TSP no later than 5/31/2024.	TSP	Must wait for 2.0.3.A If enforcing or implementing limited enforcement, for each	

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	Asset Cap is \$100,000 in 2024. Will be \$103,200 in 2025		family when creating first AR/IR after 2.0.3.A	
S8 Asset Cap Residents (S8 only)	Enforcing S8 Asset Restrictions for S8 assisted residents is Optional - If enforcing or implementing limited enforcement, do not implement until 2.0.3.A. Asset Cap is \$100,000 in 2024. Will be \$103,200 in 2025	Lease/House Rules?	Suggest waiting for 2.0.3.A . If enforcing or implementing limited enforcement, for each family when creating first AR/IR after 2.0.3.A	
S8 Real Property Rule Residents	Enforcing S8 Real Property Rule for S8 assisted residents is Optional - If enforcing or implementing limited enforcement, do not implement until 2.0.3.A.	Lease/House Rules	Must wait for 2.0.3.A If enforcing or implementing limited enforcement, for each family when creating first AR/IR after 2.0.3.A	
S8 Real Property Rule Applicants (S8 only)	Must wait for 2.0.3.A However, requirements must be described in TSP no later than 5/31/2024	TSP	Must wait for 2.0.3.A	
Treatment of Fosters as Non-Family Members	Wait for 2.0.3.A Some aspects require software update	NA	Wait for 2.0.3.A	
Do Not Count Fosters as Family Members @ MI (Income Limits)	Wait for 2.0.3.A Some aspects require software update	NA	Wait for 2.0.3.A	
Income Inclusions/Exclusions	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	May wait for 2.0.3.A	
Treatment of Student Financial Assistance	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	May wait for 2.0.3.A	

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Inclusion of Student Financial Assistance Non-S8 program	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	May wait for 2.0.3.A	
Mandatory to Include COLA the day after announced (for certifications not complete at time of COLA announcement) rather than using info in EIV (See HH 4350.3 Paragraph 9-6)	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	Does not require software update to implement this change.	
Streamlined Determination of Fixed Income	Optional – this is not a HOTMA Change. Note re: SS Income above. For other fixed income, 3 rd party verify in Year 1, apply COLA/% in Years 2 & 3.	NA	Does not require software update to implement this change.	
Asset Inclusions/Exclusions	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	May wait for 2.0.3.A	
Treatment of Non-necessary Personal Property	Suggest waiting for 2.0.3.A	NA	Wait for 2.0.3.A	
New Calculation of Income from Assets	Suggest waiting for 2.0.3.A	NA	Suggest waiting for 2.0.3.A unless manually calculating 50059 which is NOT Recommended. Implementing before 2.0.3.A will cause TRACS to generate errors. 50059 will contain new fields.	
Notice to Residents re: New Deductions & Impact	May notify residents of pending change but should not implement until 2.0.3.A	NA	Suggest waiting for 2.0.3.A	
Elderly/Disabled Family Deduction to \$525	Suggest waiting for 2.0.3.A. Implementing before 2.0.3.A will cause TRACS to generate errors	50059	Suggest waiting for 2.0.3.A unless manually calculating 50059 which is NOT Recommended. Implementing before 2.0.3.A will cause TRACS	

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			to generate errors. 50059 will contain new fields.	
Medical & Disability Expense Deductions – Percentage change	Wait for 2.0.3.A Some aspects require software update	50059	Suggest waiting for 2.0.3.A unless manually calculating 50059 which is NOT Recommended. Implementing before 2.0.3.A will cause TRACS to generate errors. 50059 will contain new fields.	
HOTMA Verification Hierarchy	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented Describe in TSP no later than 5/31/2024.	TSP	Does not require software update to implement this change.	
Means-tested Verification of Income (MTV)	Use of Means-tested verification is optional. Owner/agents who choose to use MTV May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented Optional - If implementing, describe in TSP & EIV Policy no later than 5/31/2024. Suggest waiting for 2.0.3.A	Optional - TSP	Does not require software update to implement this change.	
Streamline Verification Asset Value \$50,000 (instead of \$5,000) Streamlined Verification of Assets is not a HOTMA Change but HOTMA does change the threshold from \$5000 to \$50,000 starting 1/1/2024. Will be \$51,600 in 2025.	Optional - If implementing acceptance of Streamlined Verification of Assets at MI, must be described in TSP no later than 5/31/2024. May implement at any time after 2018. Threshold for Streamlined Verification of Assets	Optional - TSP	Does not require software update to implement this change. This is not a HOTMA change. This was introduced to HUD MFH in 2018. Only Threshold changes. The only difference is that, with HOTMA, the asset value	

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	changed from \$5000 to \$50,000 as of 1/1/2024. Will be \$51,600 as of 1/1/2025.		thresholds have increased from the original value of \$5,000.	
Verification of Federal Awards (use annual benefit letter all year)	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	Does not require software update to implement this change.	
Verification of financial accounts (1 statement)	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	Does not require software update to implement this change.	
Verification of Employment Income (2 stubs)	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented	NA	Does not require software update to implement this change.	
Use EIV to verify Employment income	Must wait for HOTMA compliant site software is available and implemented	TSP	Because HUD indicates that OAs should not implement EIV changes until new site software is available, we recommend waiting to implement this change.	
Annual Recertification Rules (use previous 12 months income)	May implement at any time after 1/1/2024 but no later than when HOTMA compliant site software is available and implemented Suggest waiting for 2.0.3.A to provide time for training.	FACT Sheet	Suggest waiting for 2.0.3.A to provide time for training.	
Streamlined Certification for Fixed Income Families	Optional. This is not a HOTMA Change. May implement any time after 2018. Threshold for Streamlined Verification of Assets changed from \$5,000 to \$50,000 as of 1/1/2024. Will be \$51,600 in 2025.	NA	This is not a HOTMA change. This was introduced to HUD MFH in 2018. Does not require software update to implement this change.	

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Interim Recertification Rules (still waiting for clarification from HUD re: non-IR)	Must be described in TSP no later than 5/31/2024. Suggest waiting for 2.0.3.A to implement new IR rules allow HUD to provide guidance related to non-IR and to provide time for training.	Lease	Suggest waiting for 2.0.3.A to implement new IR rules allow HUD to provide guidance related to non-IR and to provide time for training.	