RBD HOTMA Implementation Checklist
Multifamily Housing Occupancy

Please note that this list may change at any time as HUD releases additional guidance related to HOTMA.

As a service to our customers, we have compiled a list of tasks, we have identified, necessary for the complete and successful implementation of changed introduced in the HOTMA Final Rule.

Please note that this is not an official list endorsed by the Department of Housing & Urban Development (HUD), but rather our interpretation of instruction provided by HUD to industry stakeholders.

RBD does not act as a legal advisor nor as a regulatory governing agency. Users of this document should understand that any materials or comments contained herein are not designed for, nor should be relied upon as a source of legal guidance or as a final authority with respect to any particular circumstance.

Ross Business Development, Inc. makes no warranty of merchantability or fitness for a particular purpose or any other warranty of any type. Owner/agents and other industry stakeholders should seek competent legal advice in developing and carrying out policies and procedures. While we have been diligent in our efforts to provide comprehensive and accurate regulatory information, Ross Business Development, Inc. shall not be responsible for errors or inaccuracies.

- ☐ Train Compliance Teams.
- ☐ Train Site Staff Responsible for Communicating with Residents and Creating Certifications.
- ☐ Obtain Updated Forms from HUD. *Owner/agents cannot obtain these forms until they go through HUD's forms approval process. Owner/agents will be notified by HUD when these new forms are available. These new forms do not have to be implemented until TRACS v 2.0.3.A is implemented on site (no later than 1/1/2025).*
    - o 9887/9887A (when HUD releases);
    - o Lease (when HUD releases);
    - o FACT Sheet – How Your Rent is Determined (when HUD releases);
    - o VAWA Addendum (when site software is updated to 2.0.3.A)
    - o New Race & Ethnicity Form (when site software is updated to 2.0.3.A)
- ☐ Update File Checklists. *Owner/agents cannot complete file checklist updates until new HUD forms are approved. Owner/agents will be notified by HUD when these new forms are available. These new forms do not have to be implemented until TRACS v 2.0.3.A is implemented on site (no later than 1/1/2025).*
    - o MI
    - o IC
    - o AR
    - o IR
- ☐ *Update Acknowledgement of Receipt of Forms to remove 9887 at each AR once new 9887 is available.
- ☐ *Create or update Days to Report Change Policy
    - o Include explanation of IR Effective Dates;
    - o May want to amend the House Rules;
    - o Currently, HUD's guidance is to include some portion of this policy in the TSP.
- ☐ *Update TSP to Include:
    - o Update Consent/Verification 9887 – all programs;
    - o Streamlining Verification – all programs;
    - o New verification hierarchy (including description of Means-tested Verification if owner/agent plans to implement) - all programs;
    - o Days to Report a Change – all programs;

- o Financial Hardship for Medical Expense & Disability Expense – all programs;
- o Childcare Hardship Exemptions;
- o Deminimus Errors – specifically when resident overpaid – all programs;
- o Reporting changes – all programs;
- o Fosters – all programs;
- o Asset Restrictions including exceptions – Section 8 (including 202/8 & PBRA RAD);
- o Edit Student Financial assistance exclusions – all programs;
- o Changes to SSN Disclosure Requirements – all programs.

❏ *Create Notice of TSP Update for applicants on the waiting list (not required unless you add a preference).

❏ Revise Pre-Application & Application (additional revisions will be defined in Session 4 – TRACS 2.0.3.A) – this is not part of the HOTMA FASTForms. New applications will be part of the Application Bundle and the TSP Package. *Site software (2.0.3.A) will not be available to all sites as of 1/1/2024. The Assistance Payment for 2024 certifications created before site software is updated will be calculated using current Pre-HOTMA rules.*

❏ *Revise Applicant Notice to Meet/Top of Waiting List this is not part of the HOTMA FASTForms. New applications will be part of the Application Bundle and the TSP Package.

❏ *Update Rental History Questionnaire to include questions about Medical Expenses & Disability Assistance Expenses for continuation of Expense Phase-in (2024 and 2025).

❏ *Create Notice for New HUD Lease in compliance with HH 4350.3 Paragraph 6-12.

❏ *Update EIV Policy.
- o For Interim Recertifications effective 1/1/2024 or later or Interim Recertifications. corrected 1/1/2024 Or Later To Remove Requirement To Run EIV Reports at IR. (optional)
- o Use of EIV to verify employment and unemployment income;
- o Use of the New Hires Report at AR;
- o Change to requirements to use New Hires Report if OA has adopted Means-tested Verification.

❏ *Create and distribute to appropriate staff an updated list of Income Inclusions And Exclusions.

❏ * Create and distribute to appropriate staff an updated Treatment of Asset (Inclusions And Exclusions).

❏ * Create and distribute to appropriate staff an updated list of Allowed Health & Medical Care Expenses.

❏ *Revise Rejection to include information about Asset Restrictions Section 8 only (including 202/8 & PBRA RAD) .

❏ *Create Self-Certification of Assets if implementing Streamlined Verification of Assets (or update existing form).
- o Distribute to staff for use on any certification effective 1/1/2024 or later.

❏ *Create Self-Certification of Income if implementing Streamlined Certification (or update existing form).
- o Distribute to staff for use on any certification effective 1/1/2024 or later.

❏ *Update Student Self-certification S8.

❏ *Update Student Self-certification Non-S8.

❏ *Update Student Verification Forms (if applicable).

❏ *Create and distribute (as applicable) Notice advising students of change to treatment of student assistance in excess of tuition and mandatory fees.

❏ *Create and distribute (if applicable) Notice to Students Living with Parents – Income in Excess of Tuition Exclusion No Longer Applies.

❏ *Create Notice or FACT Sheet explaining new Asset Restrictions - Section 8 only (including 202/8 & PBRA RAD) .

❏ *Create Termination Notice – Asset Restrictions – Section 8 only (including 202/8 & PBRA RAD) .

- o *1st Notice – Asset Restrictions Request to Meet - Section 8 only; (Note from RBD: We encourage owner/agent to advise residents if they will no longer be eligible for S8 assistance.)
- o *2nd Notice – Asset Restrictions Request to Meet- Section 8 only;
- o *Self-Certification – Real Property Rule Exemption- Section 8 only
- o *Notice – Termination of Assistance – Asset Restrictions - Section 8 only;

☐ *Create Notice/Handout (Fact Sheet) explaining changes to Deductions. *Please note that the changes to deductions will not be implemented until site software is updated. Site software (2.0.3.A) will not be available to all sites as of 1/1/2024. The Assistance Payment for 2024 certifications created before site software is updated will be calculated using current Pre-HOTMA rules.*

☐ *Develop Hardship Exemption Policy.
- o *Hardship Request;
- o *Hardship Request – Notice Approve;
- o *Hardship Request – Notice Deny;
- o *Hardship Request – Notice Appeal Final Decision;
- o *Hardship Request – Notice Request Meeting/Additional Information;
- o *Notice – End of Hardship Exemption.

☐ *Create Notice – IR – No IR Required – Income Change Less Than 10% or Change Reported Within 3 Months of AR.

☐ Create a package, using some of the forms noted above, to advise current residents of changes.

☐ Update Move-in Package to included updated lease when available.

☐ *Update AR Questionnaire if owner/agent uses AR Questionnaire

☐ *Update IR Questionnaire if owner/agent use IR Questionnaire

☐ When available – update site software to version compatible with HOTMA (TRACS 2.0.3.A). *Site software (2.0.3.A) will not be available to all sites as of 1/1/2024. The Assistance Payment for 2024 certifications created before site software is updated will be calculated using current Pre-HOTMA rules.*

☐ Correct 2024 certifications if HUD indicates that corrections are required.
- o Send 30 Day Notice of Rent Increase and Requirement to Sign Correction as applicable.
- o Send 30 Day Notice Requirement to Sign Correction as applicable.
- o Submit 2024 certification corrections to TRACS.
- o If no CA, check TRACS to ensure successful transmission.

☐ Continue as usual – HOTMA implementation is complete.