



HOUSING CHOICE VOUCHER [HCV] PROGRAM
Summary of Proposed Changes to the 2023-2024 Administrative Plan
October 20, 2023

HOTMA refers to the Housing Opportunity Through Modernization Act of 2016 (HOTMA)

**1. CHAPTER 3 ELIGIBILITY FOR ADMISSION 24 CFR Part 5,
Subparts B, D & E; Part 982, Subpart E**

- Language added to define the term *family* as it pertains to a single family other criteria for admission to the program:

ELIGIBILITY FACTORS [982.201(b)]

- A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person:
 - (i) Is an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age;
 - (ii) Has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(h) of the Social Security Act (42 U.S.C. 675(5)(h)); and
 - (iii) is homeless or is at risk of becoming homeless at age 16 or older; or
- (1) A group of persons residing together and such group include, but are not limited to:
 - (i) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - (ii) An elderly family;
 - (iii) A near-elderly family;
 - (iv) A disabled family;
 - (v) A displaced family; and
 - (vi) The remaining member of a tenant family.

Other Eligibility Criteria for Admissions [24 CFR 5.618]

- Families that do not own Net Family Assets (as defined herein) worth more than \$100,000
- Families that do not own a home they could live in (as defined herein)

Live-In Aides

The continued need for a Live-In Aide must be verified at every third annual recertification after initial approval.

2. Chapter 6 - VERIFICATION PROCEDURES [24 CFR Part 5, Subparts B, D, E and F; 24 CFR 982.158, 24 CFR 5.617]

Language added to clarify when HUD's EIV (Enterprise Income Verification) system will be used.

- CMHA staff will use Enterprise Income Verification system (EIV) to streamline the verification of a family's income. This will be the first method of verifying and validating tenant reported information. EIV will not be pulled for interim certifications.
- EIV data may be used to validate family reported income and supplement family provided documents. HUD considers an income discrepancy to be an income source not reported by a tenant, or an income source reported at a substantial income difference from EIV, 10% increase or decrease of annual adjusted income. If there is no discrepancy, CMHA will use current tenant provided documentation to calculate annual income.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source.

Third-Party Oral Verification

Oral third-party verification will be used when written third-party “tenant-provided verification” is not received upon request or is not possible.

ITEMS TO BE VERIFIED [24 CFR 982.516]

Language added to clarify HUD’s new rule on assets.

- Earned income for all adult household members, 18 years of age or older. Unearned income for all household members (including minors).
- Full-time student status including high school students who are 18 years of age or older.
- CMHA may accept a family’s net family assets equal to or less than \$50,000 (adjusted annually for inflation) and anticipated income earned from assets without taking additional steps to verify accuracy at reexamination. This is not applicable for new admissions to any voucher programs.

METHODS OF VERIFICATION AND TIME ALLOWED [24 CFR 982.516]

Language added in accordance to PIH Notice 2023-27 to clarify hierchary of verification methods.

CMHA will verify information through the four methods of verification acceptable to HUD in the following order in accordance with its verification procedures:

1. Enterprise Income Verification (EIV) as mandated by 24 CFR 5.233
2. Third-Party Written “Tenant-provided verification”
3. Third-Party Oral
4. Certification/Self-Declaration

3. Chapter 9 – FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION [24 CFR Part 5, Subparts E and F; 982.153, 982.551]

Language added in accordance with HOTMA changes to clarify Income and Allowances.

Income includes all amounts, monetary or not, which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be counted and what is to be excluded in the federal regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted. CMHA will exclude from calculations of an individual income, any financial assistance received for mandatory fees and charges (in addition to tuition).

Annual Income- Annual income includes all amounts received from all sources by each member of the family who is 18 years of age or older, the head of household, or spouse of the head of household, in addition to unearned income received by or on behalf of each dependent who is under 18 years of age:

1. All amounts not specifically excluded in the list of excluded income below, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age, and
2. When the value of net family assets exceeds \$50,000 (which amount HUD will adjust in accordance with the Consumer Price Index) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD

EXCLUDED INCOME.

Annual Income does not include the following:

1. Any imputed return on an asset when net family assets total \$50,000 or less (which amount HUD will adjust annually in accordance with the Consumer Price Index) and no actual income from the net family assets can be determined. Actual income from assets will be included.
2. The following types of trust distributions:
 - a. For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets
 - 1) Distributions of the principal or corpus of the trust; and
 - 2) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.
 - b. For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.
3. Earned income of children under the age of 18 years.
4. Payments received for the care of foster children or foster adults, or State or tribal kinship or guardianship care payments.
5. Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance and worker's compensation.
6. Amounts received by the family that are specifically for or in reimbursement of, the cost of health and medical care expenses for any family member,
7. Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.
8. Income of a live-in aide, foster child or foster adult.
9. Certain student financial assistance to students as provided below:
10. Excluded Student Financial assistance covers assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit
11. With respect to student financial assistance the following is excluded:
 - a. Any assistance that section 479B of the Higher Education Act of 1965 requires to be excluded from a family's income,
 - b. Plus, any of the following up to the total amount of Excluded Student Financial assistance as defined above received from:
 - 1) The Federal government.
 - 2) A State, Tribal or local government.
 - 3) A private foundation registered as a nonprofit under 502(c)(3).

4) A business entity (such as a corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation or nonprofit entity; or

5) An institution of higher education.

Student financial assistance that is included in Annual Income includes:

1) Financial support provided to the student in the form of a fee for services performed (e.g., a. work study or teaching fellowship that is not excluded)

2) Gifts including gifts from family or friends

3) Any amount of scholarship or grant that, either by itself or in combination with assistance excluded in 9.a above, exceeds the excluded Student Financial Assistance defined in 9 above.

12. Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, "baby bond" accounts created authorized, or funded by Federal, State, or local government.

13. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

14. Additionally excluded are:

a. Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self-Sufficiency (PASS).

b. Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) to allow participation in a specific program.

c. Amounts received under a resident service stipend not to exceed \$200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development.

d. Incremental earnings and/or benefits resulting to any family member from participation in qualifying state or local employment training program funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment-training program unless those amounts are excluded under Paragraph 9 above.

15. Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.

16. Earned income of dependent full-time students in excess of the amount of the deduction for a dependent.

17. Adoption assistance payments in excess of the amount of the deduction for a dependent.

18. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts. But the periodic payments from these sources are income.

19. Payments related to aid and attendance under 38 USC 1521 to veterans in need of regular aid and attendance.

20. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.

21. Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit.

22. Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car).

23. Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law.

24. Amounts specifically excluded by any other Federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. (A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.)

The following is a list of benefits excluded by other Federal Statute:

a. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977; 7 USC 2017 (h)

b. Payments to volunteers under the Domestic Volunteer Service Act of 1973; 42 USC 5044 (g), 5088

Examples of programs under this Act include but are not limited to:

— the Retired Senior Volunteer Program (RSVP), Foster Grandparent Program (FGP), Senior Companion Program (SCP), and the Older American Committee Service Program.

— National Volunteer Antipoverty Programs such as VISTA, Peace Corps, Service Learning Program, and Special Volunteer Programs.

— Small Business Administration Programs such as the National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE).

c. Payments received under the Alaska Native Claims Settlement Act; 43 USC.1626 (a)

d. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes; 25 USC. 459e

e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program; 42 USC 8624 (f)

f. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians; P. L. 94-540, 90 State 2503-04

g. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims 25 USC 1407-08, or from funds held in trust for an Indian Tribe by the Secretary of Interior; and 25 USC 117b, 1407

h. Payments received from programs funded under Title V of the Older Americans Act of 1965: 42 USC 3056 (f)

— Examples of programs under this act include but are not limited to: Senior Community Services Employment Program (CSEP), National Caucus Center on the Black Aged, National Urban League, Association National Pro Personas Mayores, National Council on Aging, American Association of Retired Persons, National Council on Senior Citizens, and Green Thumb.

i. Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established in the In Re Agent Orange product liability litigation.

j. Payments received under Maine Indian Claims Settlement Act of 1980; P.L. 96-420,94 Stat. 1785

k. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990; 42 USC 9858q

l. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation.

m. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990.

n. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act.

o. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.

p. Kinship Guardian assistance payments and other guardianship care payments.

q. Any amount received under the School Lunch Act and the Child Nutrition Act of 1966, including reduced price lunches and food under WIC.

r. Payments, funds or distributions authorized, established or directed by the Seneca Nation Settlement Act of 1990.

s. Compensation received by or on behalf of a veteran for service connected disability, death, dependency or indemnity compensation as provided by the Indian Veterans Housing Opportunity Act of 2010.

t. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case *Elouise Cobell et al v Ken Salazar*.

u. Any amounts in an “individual development account” as provided by the Assets for Independence Act, as amended in 2002 (Pub. L. 107–110, 42 U.S.C. 604(h)(4)).

v. Per capita payments made from the proceeds of Indian Tribal Trust Cases as described in PIH Notice 2013–30 “Exclusion from Income of Payments under Recent Tribal Trust Settlements” (25 U.S.C. 117b(a)); and

w. Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93–288, as amended) and comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 5155(d)).

25. Replacement housing “gap” payments that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another. Such payments are not excluded from annual income if the increased

cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing “gap” payments.

26. Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies.

Nonrecurring income includes:

- a. Payments from the US. Census Bureau for employment (relating to decennial census or the American community Survey) lasting no longer than 180 days and not culminating in permanent employment.
- b. Direct Federal or State payments intended for economic stimulus or recovery.
- c. Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.
- d. Amount directly received by the family as a result of Federal refundable tax credits and Federal tax received the time they are received.
- e. Gifts for holidays, birthdays or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries).
- f. Non-monetary, in-kind donations, such as food, clothing or toiletries received from a food bank or similar organization.
- g. Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

27. Civil rights settlements or judgments, including settlements of judgments for back pay.

28. Income received from any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirements plans for self-employed individuals; except that any distribution of periodic payments from such accounts shall be income at the time they are received by the family.

29. Income earned on amounts placed in a family’s Family Self Sufficiency Account.

30. Gross income a family member receives through self-employment or operation of a business except that the following shall be considered income to a family member:

- a. Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in IRS regs, and
- b. Any withdrawal of cash or assets from the operation of a business or profession will be included in income except to the extent that the withdrawal is reimbursement of cash or assets.

Anticipated Annual Income, at the time of admission or interim recertification is based on the following:

Actual income being received (projected forward for a 12-month period), or

Past actual income received or earned within the last 12 months of the determination date, as HUD may prescribe in applicable administrative instructions when:

The family reports little or no income; and

The processing entity is unable to determine annual income due to fluctuations in income (e.g., seasonal or cyclical income).

Historical Amounts. If CMHA is unable to determine annual income using current information because the family reports little to no income or because income fluctuates, we may average past actual income received or earned within the last 12 months before the determination date to calculate annual income. We may also request the family to provide documentation of current income. If the family can provide acceptable documentation dated either within the 60-day period preceding the determination date or the 60-day period following the request date, we may use this documentation to determine annual income.

Rejection of documentation. CMHA may reject any income documentation for such reason as HUD may prescribe in applicable administrative instructions.

Adjusted Income - means annual income as determined above of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:

1. \$480 for each dependent, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index, rounded to the next lowest multiple of \$25.
2. \$525 for any elderly family or disabled family, which amount will be adjusted annually in accordance with the Consumer Price Index, rounded to the next lowest multiple of \$25.
3. The sum of the following, to the extent the sum exceeds ten percent of annual income:
 - a. Unreimbursed health and medical care expenses of any elderly family or disabled family; and
 - b. Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the members who is a person with a disability) to be employed. This deduction may not exceed the combined earned income received by adult family members who are able to work because of such attendant care or auxiliary apparatus; and
4. Any reasonable childcare expenses necessary to enable a member of the family to be employed or to further his or her education.
5. Financial hardship exemption for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses. Phased-in relief:
 - a. Eligibility for relief: To receive hardship relief the family must have received a deduction from annual income because the sum of
 - 1) Unreimbursed expenses for health and medical care, plus
 - 2) Unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
 - 3) That exceeded 3 percent of annual income
 - b. Form of relief:
 - 1) Beginning with the first recertification after 1/1/2024, the family will receive a deduction totaling the sum of
 - a) Unreimbursed expenses for health and medical care, plus
 - b) Unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
 - c) That exceed 5 percent of annual income.

2) At the second annual recertification (12 months after the recertification in b.1) above), the family will receive a deduction totaling the sum of

- a) Unreimbursed expenses for health and medical care plus
- b) Unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
- c) That exceed 7.5 percent of annual income.

3) At the third annual recertification (24 months after the recertification in b.1) above) the family must receive a deduction totaling the sum of

- a) Unreimbursed expenses for health and medical care, plus
- b) Unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
- c) That exceed 10 percent of annual income.

6. Additional relief is available financial relief for an elderly or disabled family or a family that includes a person with disabilities that is experiencing financial hardship.

a. Eligibility for relief: To receive hardship relief under this paragraph, a family must demonstrate that the family's applicable health and medical care expenses or reasonable attendant care and auxiliary apparatus expenses increased, or the family's financial hardship is a result of a change of circumstances (as defined by the PHA) that would not otherwise trigger an Interim reexamination.

b. Relief under this paragraph is available regardless of whether

- 1) The family previously received deductions under paragraph 5.b above,
- 2) Is currently receiving relief under paragraph 5.b above, or
- 3) Previously received relief under paragraph 5.b above.

c. Form and duration of relief.

1) The family will receive a deduction for the sum of

- a) Unreimbursed expenses for health and medical care, plus
- b) Unreimbursed care and apparatus expenses for a disabled family member that permit a family member to work
- c) That exceed 5 percent of annual income.

2) The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier. CMHA will not extend the relief past the initial 90-day period.

Note: A family receiving phased-in relief may request to receive general hardship relief instead; once a family chooses to obtain general relief, a family may no longer receive the phased-in relief.

CHILDCARE EXPENSES [24 CFR 5.603]

Language added to update policy with HOTMA changes for childcare expenses and opportunity for hardship exemption.

Childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school, or to actively seek employment.

Child Care Hardship Exemption - A family whose eligibility for the child-care expense deduction is ending may receive a hardship exemption to continue receiving a child-care expense deduction in certain circumstances when the family no longer has a member that is working, looking for work, or seeking to further their education, and the deduction is necessary because the family is unable to pay their rent.

When a family requests a hardship exemption to continue receiving a child-care expense deduction that is ending, CMHA must recalculate the family's adjusted income and continue the child-care deduction if the family demonstrates to CMHA's satisfaction that the family is unable to pay their rent (see Attachment C (paragraph C.6.a) (Policy for Determination of the Family's Inability to Pay Rent)) because of loss of the child-care expense deduction and the child-care expense is still necessary even though the family member is no longer working, looking for work, or furthering their education. The hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days. CMHA, at their discretion, may extend such hardship exemptions for additional 90-day periods based on family circumstances.

Hardship requests must be made within 30 days of the loss of qualification of childcare expense deduction. CMHA will not offer any extensions of the hardship exemption.

CMHA may approve Child Care Hardship Exemption if any of the below criteria are met with required 3rd party verification

- Loss of earned income
- To return to school
- Upon graduation of schooling institution actively seeking employment
- Seek new earned income

4. Chapter 11- HOUSING QUALITY STANDARDS AND INSPECTIONS (HQS) [24 CFR 982.401] E982.205, 982.206]

- Clarifying Language added to Chapter 11 to clarify documentation need to support repairs were completed if reinspection occurs after the "due date".

Re-inspection:

If the re-inspection date is scheduled by CMHA after the due date, CMHA will assume repairs were made timely as long as the unit passes the re-inspection regardless of the date of the reinspection with supporting date-stamped documentation from the owner showing when the repairs were made. Acceptable documentation will include date stamped photos of the repair, receipts for the material used to make the repair, work orders, invoices from contractors that made the repairs, etc. Under this situation, the abatement will be canceled or ended in accordance with the documentation and payments issued to owner. If the owner is unable to provide supporting documentation to document the date of repairs, the abatement will be ended the day before the unit passes the reinspection.

5. Chapter 13 REPORTING INTERIM CHANGES [24 CFR 982.516]

Language added to update Interim Reexam Policy updated to HOTMA changes implemented by HUD.

1. Residents are required to report all changes in family income, composition or status to the CMHA within 30 calendar days of the occurrence. Failure to report is a lease violation and may result in lease termination, even if reporting would not result in a change in rent. Further, failure to report within the 30 calendar days may result in a retroactive rent increase, but not a retroactive credit or rent reduction. In order to qualify for rent reductions, residents must report income decreases promptly. Residents are also required to report interim increases in income if they have been granted interim rent reductions or have previously reported zero income.
2. Under the HOTMA regulation, CHMA is not required to perform interim rent adjustments if they believe that the difference in a family's annual income (either an increase or a decrease) will amount to a difference of less than 10 percent.
3. In addition, CMHA may decline to do interim adjustments in the last 3 months before a family's annual or biennial reexamination. If failing to perform an interim adjustment will make it impossible for a family to pay rent, CMHA may conduct the interim adjustment in the last 3 months before the reexamination.

4. CMHA wishes to encourage families to improve their economic circumstances, so some changes in family income between reexaminations will not result in a rent change. CMHA will process interim changes in rent in accordance with the chart below:

<u>INCOME CHANGE</u>	<u>CMHA ACTION</u>
(a) Decrease in income for any reason, <u>except</u> for decrease that lasts less than 30 days, is subject to Imputed Welfare Income rules ¹ , or will decrease annual income by less than 10 percent.	Process interim rent reduction if income decrease will last more than 30 days, is not subject to Imputed Income rules or is more than 10 percent of annual income. 24 CFR § 5.609
(b) Increase in verified family deductions	Process interim rent reduction if income decrease will last more than 30 days and reduces adjusted income by more than 10 percent. 24 CFR § 5.609
(c) Increase in income following CMHA granting interim rent decrease.	Process interim rent increase for income increases after interim rent reductions.
(d) Increase in earned income from the employment of a current household member.	Defer rent increase until next regular reexam unless the family has had an interim rent reduction in the reexam period. 24 CFR § 960.255
(e) Increase in unearned income (e.g., COLA adjustment for social security).	Defer rent increase to the next regular reexam unless the increase is more than 10 percent of annual income.
(f) Increase in income because a person with income (from any source) joins the household.	Conduct an Interim Redetermination of the family's income and raise the rent.
(g) Increase in income because Tenant misrepresented income or deductions.	Conduct an Interim Redetermination of the family's income and raise the rent retroactively to the date of the misrepresentation or terminate the lease.
(h) Increase in monetary or non-monetary income after Resident claims zero income	Process an interim rent increase.

PHA De Minimis Errors

The family is responsible for reporting all household income/composition changes and reviewing CMHA's determination of household income, assets and expenses used in the calculation of rent, and for bringing any errors or omissions to CMHA's attention in writing within thirty (30) calendar days of receipt of the Addendum.

If the CMHA makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable; retroactive to when the decrease for the change would have been effective if calculated correctly. Any credit due to the family will be paid to the property owner upon processing the revised certification.

¹ Decreases in welfare income resulting from welfare fraud or from cuts for failure to comply with economic self-sufficiency requirements are not eligible for rent reductions (24 CFR § 5.615).