



**CONSORTIUM FOR CITIZENS  
WITH DISABILITIES**

Submitted via Regulations.gov

November 18, 2019

The Honorable Brian D. Montgomery  
Assistant Secretary for Housing  
U.S. Department of Housing and Urban Development  
451 7th Street SW  
Washington, DC 20410

Re: Comments on FR 6057-P-01 Housing Opportunity Through Modernization Act of 2016:  
Implementation of Sections 102, 103, and 104 [HUD-2019-0078, RIN: 2577-AD03]

Dear Mr. Montgomery:

Thank you for the opportunity to comment regarding the “Housing Opportunity Through Modernization Act of 2016: Implementation of Sections 102, 103, and 104” proposed rule. On behalf of the Co-Chairs of the Consortium for Citizens with Disabilities (CCD) Housing Task Force (HTF), we submit the following response for your consideration.

CCD is a coalition of national consumer, advocacy, provider, and professional organizations working together with and on behalf of the millions of children and adults with disabilities and their families living in the United States. CCD advocates for national public policy that ensures full equality, self-determination, independence, empowerment, integration, and inclusion of children and adults with disabilities in all aspects of society.

The first section of the CCD HTF’s comments provide general comments and concerns regarding the proposed rule, followed by the CCD HTF response to HUD’s request for specific comments.

**Proposed Rule Overall Impact on People with Disabilities**

This proposed rule is of particular concern to CCD as the rule impacts nearly 2 million seniors and non-elderly people with disabilities currently relying on HUD programs to live independently in the community. These include:

- Section 811 Supportive Housing for People with Disabilities: 32,800 non-elderly tenants who have disabilities;
- Section 202 Supportive Housing for Seniors: 400,000 seniors many of whom are aging in place and have disabilities;

- Public Housing: 30% of the 1.1 million households have a head of households who is a non-elderly person with a disability;
- Housing Choice Voucher: 36% of the 2.2 million participants have a head of household who has a disability; and
- Project Based Rental Assistance: 64% of PBRA tenants are in households headed by a senior or an adult aged 18 to 62 with a disability.

Community-based housing opportunities for people with disabilities, such as provided by these HUD programs, are critical to achieving Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 compliance, and are cost-effective. Research has demonstrated that community-based housing and supports are not only preferred by many people with disabilities, but also help to avoid expensive costs associated with the alternative – institutionalization, homelessness and increased use of emergency rooms and other expensive health care.

It is critical that HUD balance the need for PHA/owner efficiencies and related cost savings with the impact on the significant number of households that are headed by or include members who have disabilities. Administrative efficiencies that result in terminations or other harm to these households will potentially increase costs to systems overall.

### **CCD HTF General Recommendation for Additional Language in Proposed § 960.507**

Regarding the proposed regulatory provisions implementing Section 103 of HOTMA, the CCD HTF urges HUD to include language in § 960.507 reinforcing HUD’s intention that the PHA must consider reasonable accommodation in implementing this component of HOTMA. CCD HTF suggests the following addition to the proposed regulation:

**§ 960.507 Families exceeding the income limit.**

(a) In general. Families residing in public housing may not, except as provided in § 960.503 **or as a reasonable accommodation**, have incomes that exceed the local over-income limit.

### **CCD HTF Responses to Select HUD Requests for Specific Comments on the Proposed Rule**

**Specific solicitation of comment 1:** *What administrative burdens or other considerations (particularly related to Rental Assistance Demonstration conversions) should HUD be aware of in relation to certain sections applying to public housing and the HCV and project-based voucher (PBV) programs, but not to project-based rental assistance and Section 202/811?*

As described in detail under our response to comment 12, the CCD HTF is very concerned that page 48823 of the Federal Register seems to indicate that the hardship exemption is not provided for tenants of the Section 202 and 811 programs. The CCD HTF does not understand why these programs would be excluded. While all Section 811 Capital Advance and many (although not all) Section 202 projects are funded through PRAC rather than Section 8, tenant income and rent calculation is still covered by 24 CFR Part 5. Even if it were not, it is hard to imagine a scenario in which Congress intended to provide a hardship exemption for seniors and people with

disabilities in all HUD programs except these two programs that Congress specifically authorized for seniors and people with disabilities. HUD should provide the hardship exemption for tenants in these critical programs.

**Income Reexamination:** *HUD should apply the Multifamily \$200 threshold for increases in income*

CCD HTF recommends that rather than the 10% threshold for income increases, that HUD adopt HUD Multifamily program laid out in HUD Handbook 4350.3, Chapter 7, in which an interim examination is triggered when the family's income cumulatively increases by \$200 or more per month. Using a flat threshold is easier for the PHA to calculate and administer and provides greater equity for tenants. This standard is already in place for over 1.3 million households assisted through HUD's Multifamily housing programs.

**Specific solicitation of comment 2:** *What is a "reasonable period of time" in which the PHA and owner must conduct an interim reexamination?*

Understanding that the PHA/owner requires sufficient time to verify the tenant's request for an interim reexamination, the CCD HTF is particularly concerned that a family's tenancy not be at risk because the household income has decreased (e.g., loss of employment), but the tenant rent share has not been recalculated prior to when the family's rent payment is due; in such a situation, a tenant might be at risk of termination for nonpayment of rent.

An effective way to avoid such a situation would be to adopt the methodology provided for multifamily owners in HUD Handbook 4350.3, Chapter 7. The Handbook defines a reasonable time as "only the amount of time needed to verify the information provided by the tenant.

**Generally, this should not exceed 4 weeks<sup>1</sup>."**

Further, the Handbook, establishes a procedure<sup>2</sup> that helps to avoid the nonpayment risk described above:

Rent increases. If the tenant's rent increases because of an interim adjustment, the owner must give the tenant 30 days advance notice of the increase. The effective date of the increase will be the first of the month commencing after the end of the 30-day period.

Rent decreases. If the tenant's rent will decrease, **the change in rent is effective on the first day of the month after the date of action that caused the interim certification,**<sup>3</sup>

\*e.g., first of the month after the date of loss of employment.\* A 30-day notice is not required for rent decreases.

HUD has established some protocols on this in its multifamily handbook. Multifamily owners should not proceed with an eviction for nonpayment of rent while a request for a rent adjustment due to income loss is pending. See HUD Handbook 4350.3, § 7-11.F.1.b. The determination

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<sup>1</sup> Emphasis added.

<sup>2</sup> This procedure is provided for tenants that comply with HUD Handbook requirements regarding rent reexaminations.

<sup>3</sup> Emphasis added.

may depend on factors outside of the tenant's control—the tenant is waiting to hear if s/he has been approved for public assistance or unemployment benefits and what those amounts are. While processing of the change may be delayed because of the need to obtain third party verifications and to determine what income level has stabilized for the household, once this is determined, the change should be made effective retroactive to the first of the month after the circumstance justifying the change. The tenant is then given written notice of what the changed amount of rent is, and is given 30 days to pay up what is due. See HUD Handbook 4350.3, § 7-11.F.2. If the tenant does so, there is no processing of the case for nonpayment of rent; it is only when the tenant fails to make the payments after such notice and cure period that the owner should proceed.

This policy and procedure are already in place for over 1.3 million households assisted through HUD's Multifamily housing programs. Adopting this same policy and procedure for the public housing and housing choice voucher programs would align a streamlined process across HUD programs.

**Specific solicitation of comment 3:** *Should HUD continue to require PHAs and owners to use the Enterprise Income Verification (EIV) System for every income examination, or revise its regulations at 24 CFR 5.233 to require use of EIV only at initial and annual reexaminations and not at interim reexaminations?*

HUD should not require EIV use at interim reexamination. As stated in HUD Handbook 4350.3:

because of the delay in reporting requirements by state agencies, EIV may not contain data that can be used to verify employment or income for use in processing interim recertifications in instances where tenants report a change in employment or income.

**Specific solicitation of comment 4:** *Should HUD allow PHAs and owners to use income determinations from other forms of public assistance?*

The CCD HTF appreciates the efficiencies that could potentially benefit both the PHA/owner and tenant should HUD allow the use of other public assistance determinations. However, to the extent that formulas or procedures differ between the various public assistance programs as well as between states for the same public assistance program, the CCD HTF is concerned about inequities in rent determinations that may occur. The CCD HTF strongly urges HUD to delay rulemaking in this area, and to conduct research such as sampling across programs and states to further inform rulemaking prior to implementation.

**Specific solicitation of comment 5:** *Are there other forms of Federal public assistance that should be added to the "safe harbor" list or should limit the number of such programs?*

As discussed under comment 4, the CCD HTF strongly urges HUD to delay rulemaking in this area, and to conduct research such as sampling across programs and states to further inform

rulemaking prior to implementation. In conducting such research, CCD HTF encourages HUD test whether SSI or SSDI determination would be appropriate as a “safe harbor.”

The CCD HTF opposes the inclusion of EITC program as a safe harbor due to the additional amount of personal information that may be included in a tax return.

**Specific solicitation of comment 7:** *Should current recipients of the earned income disregard (EID) benefit continue to receive the benefit until the allowed time frame expires?*

The CCD HTF supports HUD’s proposal to allow families who currently receive the EID benefit to continue to participate in the program until the end of their allotted time frame. This is an application of HOTMA that is fair to residents who had an expectation that they would see the full benefits of EID.

However, HUD should consider additional guidance with respect to individuals who qualify prior to the effective date of the new rule but are not identified by the PHA as qualifying for EID until after the effective date. For example, a tenant qualifies for EID in October 2020. The regulation is effective January 1, 2021. The PHA identifies in February 2021 that the individual qualified for EID. Would that person be able to participate in EID effective October 2020 and then complete the two-year participation? CCD HTF encourages HUD to allow PHAs such flexibility.

**Specific solicitation of comment 8:** *What is the impact of the proposed redefinition of annual income? Does the new definition simplify the understanding of what is included in annual income?*

The CCD HTF is very concerned that HUD has included sporadic gifts in the definition and calculation of annual income. The NPRM states:

This proposed rule specifies that annual income does not include amounts that are explicitly excluded from the definition of income in HOTMA, but removes current exclusions for inheritances, capital gains, gifts, and other sporadic income. HUD has found that these provisions have caused confusion, there has been inconsistent application of these exclusions, and that these amounts should be included as annual income.

The HTF strongly objects to the inclusion of sporadic, nonrecurring gifts as income. First, the statute is clear that “recurring gifts” are included in the definition of income.

INCOME.—The term ‘income’ means, with respect to a family, income received from all sources by each member of the household who is 18 years of age or older or is the head of household or spouse of the head of the household, plus unearned income by or on behalf of each dependent who is less than 18 years of age, as determined in accordance with criteria prescribed by the Secretary, in consultation with the Secretary of Agriculture, subject to the following requirements:

‘(A) INCLUDED AMOUNTS.—Such term includes **recurring gifts**<sup>4</sup> and receipts, actual income from assets, and profit or loss from a business.<sup>5</sup>

Given the specific inclusion of “recurring gifts” in the statute, we would strenuously argue that Congress did not intend that “non-recurring” or “sporadic” gifts be included in the definition of income.

Second, one of the key goals of HOTMA is to streamline program administration. Requiring tenants to report on recurring gifts will cause a great deal of time-consuming confusion on the part of both tenants and PHAs/owners, and potentially put a tenant at risk for not reporting a gift. For example, if a low-income tenant is gifted a gas or grocery card is this considered a gift and included in calculation of income? If a tenant household was gifted \$1,400 total in the previous year but at the end of the current year is gifted only \$200, will the PHA/owner recalculate income and reimburse the tenant for the difference in rent share? Does each gift have to be reported as it is received, and, if so, would there be an interim examination for each gift? What if the tenant fails to report the one-time cash gift provided by a neighbor as a “thank you” for watching their child when the neighbor doesn’t get home in time? Is this a tenant error or fraud? If the PHA/owner considers this fraud, then the tenant is potentially subject to termination.

The CCD HTF strongly urges HUD to reinstate an exclusion for sporadic gifts from annual income.

**Specific solicitation of comment 9:** *What inflationary index should be used for purposes of adjusting the amount of imputed return on assets included in annual income, and other provisions in HOTMA that require amounts to be adjusted annually for inflation?*

Different inflationary indexes are appropriate for different provisions. For example, it likely makes sense to maintain the passbook savings rate for to impute return on assets. While the passbook saving rate may underestimate the returns for some tenants, it is very unlikely that it will overestimate the returns for any tenants. Using the passbook saving rate, therefore, will ensure that no tenant will be provided with a rent calculation higher than allowed by the regulation, or more importantly, than they can actually afford.

In contrast, the \$525 mandatory deduction for any elderly or disabled family, which is required to be adjusted annually, should be adjusted using no less than the Cost of Living Adjustment (COLA) used by the SSI program in that year. This COLA is a commonly recognized inflationary index.

**Specific solicitation of comment 10 (part I):** *Should subsequent withdrawals of an insurance payment or settlement for personal or property losses (whether related to a minor or not), or amounts*

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<sup>4</sup> Emphasis added.

<sup>5</sup> 42 U.S.C. 1437a(b)(4)(A); Housing Opportunity Through Modernization Act, HR 3700 (HOTMA), Pub. L. No. 114-201 (2016).

*recovered in the aforementioned civil action or settlement, be treated as income?*

Withdrawals of principle from an account should **not** be counted as income if the original source falls into any of HUD's income exclusions. HUD should adopt the approach taken by the court in *Decambre v. Brookline Hous. Auth.*,<sup>6</sup> which concerned how disbursements from a special needs trust should be handled by a housing authority for purposes of Section 8 eligibility. In that case, a voucher tenant received a lump sum personal injury settlement (not counted as income) and placed the settlement into a special needs trust. The housing authority subsequently counted regular disbursements of principle from the special needs trust as income. The court concluded that distributions from the principal of a settlement-funded irrevocable trust should not count toward annual income.<sup>7</sup>

In the proposed rule, HUD added an explicit exemption to the annual income provision: "Distribution from a non-revocable trust fund specifically provided to cover the cost of medical expenses for a minor." This exemption, while important, is too narrow to protect tenants with disabilities from disqualifying from HUD housing programs because of trust fund payments that otherwise would have been exempt, but for their placement in a non-revocable trust.

**Specific solicitation of comment 10 (part II):** *If this rule were to consider such subsequent withdrawals as income, should certain types of withdrawals be excluded from annual income (in addition to the existing exclusion of distributions from a non-revocable trust fund specifically provided to cover the medical expenses of a minor)?*

As a coalition of national disability organizations advocating on behalf of millions of people with disabilities and their families, CCD has extensive experience on this issue, and therefore raises the following issues and questions. Even if HUD were to define the rule to exclude "disability-related" withdrawals and "withdrawals related specifically to the settlement," how would the PHA/owner interpret this language, and what documentation would be required? Would this category include, for example, expenses which help improve health, independence, and/or quality of life for the impacted individual or individuals, generally? Involving PHAs/owners in determining whether and which of these withdrawals should be excluded or included as income will be time-consuming and create confusion for all parties involved, in direct contradiction to the purpose of HOTMA.

**Specific solicitation of comment 10 (part III):** *If the rule were to consider such subsequent withdrawals as income but exclude certain withdrawals that are used for a particular purpose, are there specific requirements that could be added to address the operational challenges that a PHA or owner would face in identifying, determining, and verifying that the withdrawal should be either included or excluded from annual income?*

If HUD were to include such withdrawals as income, PHAs/owners would face numerous operational challenges that contradict the underlying goal of streamlining this process for the

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<sup>6</sup> 826 F.3d 1 (1<sup>st</sup> Cir. 2016).

<sup>7</sup> *Id.* at 21.

administering entities. We offer no remedy in this regard, and recommend against incorporating this interpretation

**Specific solicitation of comment 10 (part IV):** *Should the final rule count the lump-sum insurance payment or settlement as income, rather than excluding it from annual income at any point in time?*

No, any lump sum insurance payments or settlement agreements should not be included as income. In 24 CFR Part 5, HUD has historically excluded lump sum payments, for example: “[l]ump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);”<sup>8</sup> and “[d]eferred periodic amounts from 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.”<sup>9</sup>

Further, in the proposed rule, HUD has continued to exclude these lump sums from annual income.

**Specific solicitation of comment 11:** *Are there other income exclusions that should be provided for in this rulemaking?*

Sporadic gifts: As explained in comment #8 above, the CCD HTF strongly urges HUD to reinstate sporadic gifts as excluded from annual income.

Long term care insurance payments: Long term care payments that are assisting families to remain in the community should be excluded from income.

EITC refunds: Refunds for households eligible for the EITC should be excluded from income. Including them as income would undermine the purpose of this federal government program.

Proposed §5.609(b)(10): The CCD HTF thanks HUD for excluding amounts from ABLE accounts, as consistent with 2019 HUD [guidance](#) on Treatment of ABLE Accounts in HUD-Assisted Programs and with purpose and language of the ABLE statute, and for implementing this component of HOTMA.

Proposed §5.609(b)(2): As discussed above, the distribution from a non-revocable trust fund that is limited to the cost of medical expenses for a minor is far too narrow. This exemption, while important, is too narrow to protect tenants with disabilities from disqualifying from HUD housing programs because of trust fund payments that otherwise would have been exempt, but for their placement in a non-revocable trust.

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<sup>8</sup> 24 CFR § 5.609(c)(3).

<sup>9</sup> 24 CFR § 5.609(c)(14).



Proposed §5.609(b)(6): While the CCD HTF appreciates that HUD has provided for the exclusion of amounts received for medical expenses, we would strongly encourage HUD to expand this section to cover not simply medical but also amounts received or reimbursed for disability-related expenses.

Proposed §5.609(b)(7): The language “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 being disabled;” is narrow. There may be, for example, circumstances under which an individual becomes disabled and comes to an agreement and a settlement without a declaration of culpability. It would be inconsistent not to exclude such a settlement.

Proposed §5.609(b)(19): The CCD HTF appreciates HUD’s recognition that some states are implementing programs that provide financial support to families to care for a family member with a disability. This is not dissimilar to the exclusion of Adult Foster Care payments to non-related persons. In both cases, a state is seeking to keep a person with a disability, including seniors, at home because that is what the individual prefers and because it is more cost-effective, resulting in saving to both the state and federal governments. Such payments are not always made through a Medicaid managed care system. They might be made through CCOs (Oregon), ACOs (Massachusetts), directly by Medicaid or with state general funds rather than Medicaid funds. As long as the program has the goal of support a family to keep a member with a disability at home, such payments should be excluded. The CCD HTF recommends this language be broadened to state:

(19) Payments provided ~~by a State Medicaid managed care system~~ to a family to keep a member who has a disability living at home;

**Specific solicitation of comment 12:** *Are there better approaches to implementing the hardship exemptions than what is proposed in this rule? Should HUD should establish specific requirements or parameters as to how the PHA or owner would determine that the family is unable to pay the rent, or whether PHAs and owners should be given broad administrative discretion to establish their own policies on how to make this determination?*

The statute indicates that Congress expected that before HUD embarked on changing the deduction, HUD would conduct a study to determine the impacts on rents paid by elderly and disabled individuals and families assisted under the Section 8 and public housing programs, of any decreases in the amount of deductions in income, comparing pre- and post-HOTMA provisions. It appears Congress expected HUD would take into account the results of that study, particularly in thinking through any hardship relief that might be made available. We would therefore respectfully request that HUD defer rulemaking action on this portion of HOTMA until it first conducts such a study and provides Congress with its results.

Should HUD choose to implement the hardship provisions at this time, we have a number of comments. First, the we are concerned that the chart on page 48823 of the Federal Register

seems to indicate that the hardship exemption is not provided for tenants of the Section 202 and 811 programs. The CCD HTF does not understand why these programs would be excluded. While all Section 811 capital advance and many (although not all) Section 202 projects are funded through PRAC rather than Section 8, tenant income and rent calculation is still covered by 24 CFR Part 5. Even if it were not, it is hard to imagine a scenario in which Congress intended to provide a hardship exemption for seniors and people with disabilities in all HUD programs except these two programs that are specifically for seniors and people with disabilities. HUD should provide the hardship exemption for tenants in these critical programs.

Second, we recommend that HUD lower the threshold for health and medical expense deductions. The individuals who will be impacted are families that may be under significant financial hardship already, and this change could result in higher costs, as the NPRM acknowledges, stating “families who receive a health and medical expense deduction at the time the HOTMA change is implemented may see a significant increase in their non-deductible health and medical expenses, which could result in an increase in their adjusted income and their rent.” We also understand that when the legislation was originally proposed, there were CBO scores showing that a \$750 deduction originally proposed would have reduced rents more than the 10% medical deduction threshold would have raised them, while the reverse was true with the final HOTMA deduction of \$525. Given that these calculations were done in 2016, and medical costs continue to skyrocket, the impact will only be more significant. This proposed change creates an untenable situation for families already facing financial challenges and significant health or disability-related barriers. For some families, this change may have a negative impact that goes well beyond the offset from the increase in deductions for elderly and disabled families.

HUD has proposed a hardship exception that would eliminate only half of the decrease in the deduction (i.e., expenses in excess of 6.5% of income, as opposed to the current 3% or the revised 10%) would be deductible, and this would be limited to an interim period during the year that the deduction is put into effect. As of the next year’s recertification, only expenses above the 10% threshold could be deducted. The language in HOTMA, however, is not limited to the first year of implementation or to an interim recertification.

The CCD HTF joins other commenters in recommending that the hardship provisions here, similar to the hardship provisions for minimum rent (which Congress clearly had in mind from its cross-reference to the certification in Section 102(b) of HOTMA), not be limited, but should be available at any time a tenant can demonstrate inability to pay. Moreover, rather than require that tenants must, in the interim, only utilize a mid-range threshold, the CCD HTF recommends that, as with minimum rent, the PHA/owner suspend the payment of the difference (between 3% and 10%), providing the household the option to repay the balance at the point that it can do so, on terms that are affordable (similar to HUD’s EIV guidance).

As an overall approach, though it serves an important function, the hardship exemption puts the burden on families who may be eligible, and increases their uncertainty and potential instability as the PHA makes its determination. As a general approach as HUD pursues this rulemaking process, it would be preferable to maximize allowable deductions and reasonable income exclusions where practicable.

**Specific solicitation of comment 14:** *What are the circumstances under which a family may not have a present ownership interest in, legal right to reside in, or effective legal authority to sell real property in the jurisdiction in which the property is located? What is the feasibility of families demonstrating this?*

The CCD HTF appreciates HUD’s proposed language under 24 CFR 5.618:

“(2) A property will be considered “suitable for occupancy” under paragraph (a)(1)(ii) of this section unless the family demonstrates that it: (i) Does not meet the disability-related needs for all members of the family, including physical accessibility requirements;”

As there may be circumstances under which the disability-related needs for all the family members may not be related to physical disability (e.g., related to need for medical or support services that cannot be provided in the location), the CCD HTF recommends adding the language “including but not limited to physical accessibility” to better ensure PHAs/owners understand all circumstances under which restrictions related to assets might not apply.

**Specific solicitation of comment 16:** *HUD specifically seeks comment on the proposal to exclude items of personal property valued \$50,000 or less, other than necessary items, from the calculation of net family assets, and comments on what such necessary items of personal property might be.*

The CCD HTF notes that some households that include persons with disabilities may have personal property valued at more than \$50,000. For example, a family with a household member with a significant physical disability may have an adapted vehicle such as a van as well as significant durable medical equipment such as an expensive electric wheelchair, a back-up electric wheelchair, one or more lifts, etc. It is unclear whether HUD intended the \$50,000 limit to include all personal property or each individual item. In order to avoid exceeding the personal property cap, the CCD HTF recommends HUD exclude disability-related durable medical equipment and transportation (i.e. adapted vehicle) altogether from consideration as an asset. The CCD HTF offers the following language:

5.603 Definitions Net family asset

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(x) “Disability-related personal property including, but not limited to, durable medical equipment and adapted transportation”

*Other CCD HTF comments on net family assets*

Settlements: As discussed above, the CCD HTF recommends HUD broaden the definition of settlements that would be excluded from net family assets. “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 being disabled” is narrow. There may be, for example, circumstances under which an individual becomes disabled

and comes to an agreement including a settlement without a declaration of culpability. It would be inconsistent not to exclude such a settlement.

ABLE account: The CCD HTF appreciates HUD implementing HOTMA and excluding ABLE accounts from the definition of net family assets.

**Specific solicitation of comment 17:** *HUD is seeking feedback from interested parties on whether HUD should adopt all revisions made to adjusted income (mandatory deductions, additional deduction and hardship exemptions, as applicable) when combining HOME and other federal programs such as Section 8 in a rental project?*

The CCD HTF recommends that the revisions with comments herein be adopted for HOME and other federal programs in a rental project.

**Specific solicitation of comment 18:** *HUD is seeking feedback from interested parties on whether HUD should adopt financial hardship exemptions for families receiving HOME-funded tenant based rental assistance?*

The CCD HTF urges HUD to adopt the hardship exemptions for families consistently in all HUD-funded programs.

The CCD Housing Task Force appreciates the opportunity to comment on the “Housing Opportunity Through Modernization Act of 2016: Implementation of Sections 102, 103, and 104” proposed rule. We strongly urge you to consider our comments, and to ensure that seniors and people with disabilities are not harmed by the proposed changes.

Sincerely,

Molly Burgdorf, Co-Chair  
The Arc of the United States

Andrew Sperling, Co-Chair  
National Alliance on Mental Illness