To:       All Owners and Managers  
From:    Bob Conroy, Director of Asset Management  

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I.   SSN at Move-in - Exception for Minors Under the Age of Six Years  

HUD has changed the rule regarding verification of Social Security Numbers for children under the age of 6 years specifically at move-in. The 90-day exemption for minors under the age of 6 will apply at move-in and initial certification. At this time, TRACS still issues a Fatal Error, so HUD's systems will need to be updated to accept this change. This change will also require minor edits to most property resident selection plans.  

II.  Definition of Low Income  

HUD reiterated the change to the definition of "Extremely-low Income". This change to the definition was effective July 1, 2014. As of July 1, 2014, Extremely-Low Income families are now defined as families whose incomes do not exceed the higher of:  

- The Federal Poverty Level or  
- 30 percent of Area Median Income  

III. Definition of Tuition for Section 8  

For the Section 8 program, HUD includes educational financial aid, in excess of tuition, except when the student lives with his/her parents receiving Section 8 assistance or when the student is over the age of 23 (defined as 23 and one day) with a dependent child. HUD amended the CFR (5.609(b)(9)) to include "fees" within the definition of tuition.  

HUD announced this change in December 2015 with the release of Housing Notice 2015-12, Amendment to the Definition of Tuition
IV. Fixed Income Verification

This new final rule also provides for a streamlined income determination for any fixed source of income (e.g. Social Security, Railroad Pension or VA Disability). Upon admission to a program, third-party verification of all income amounts must be obtained for all family members, and a full reexamination and determination of income must be performed every 3 years.

In the interim, a streamlined income determination may be performed for a family member with a fixed source of income by applying to a previously determined or verified source of income a cost of living adjustment (COLA) or interest rate adjustment specific to each source of fixed income.

We expect HUD to provide additional clarification to this rule.

Please note that MaineHousing provides notices as a service to our partners. Notices are not intended to replace ongoing training and do not encompass all compliance and regulatory changes that may occur on the wide range of housing programs in which we work. MaineHousing recommends partners establish an ongoing training program for their staff.

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