

DATE: April 12, 2024

TO: Greater Opportunity for Affordable Living Developers, Owners and Managers

SUBJECT: HOTMA Policies and Implementation

This memorandum outlines the Alaska Housing Finance Corporation's (AHFC) Internal Audit Department (IAD) updated policy regarding the implementation of the Housing Opportunity Through Modernization Act of 2016 (HOTMA). The Policy is in regard to properties where residents' income and assets are calculated to determine program eligibility through programs funded under AHFC's Greater Opportunities for Affordable Living (GOAL) program.

AHFC's policy is based on the applicable federal statutes and regulations signed into law on July 29, 2016 (Public Law 114-201, 130 Stat. 782) and detailed in the final rule published in *Federal Register* Notice 88 F9600 on February 14, 2023, and the Office of Housing and Urban Development.

Implementation Date

All Programs are required to implement these changes no later than **September 1, 2024**. While implementation is required, no noncompliance will be identified until January 1, 2025 to allow Owners, Partners, and Manager's time to complete training, update internal policies and procedures, and complete implementation.

Major Changes

The new regulations under HOTMA affect:

- Income
- Assets
- Deductions
- Certifications
- Reporting and Forms
- Over-Income Families in Public Housing

AHFC IAD has determined that the following changes have the greatest impact on the developments within the GOAL program.

Income Changes	• Foster children and adults • Child support • Seasonal / self-employment (look back rule) • Gift income excluded (milestones) • Workman comp. • Veteran's aid and attendance payments • Civil right action • Civil settlements • Home based care payment • Student deduction and adoption assistance (yearly changes)
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	• Student Financial aid
Asset Changes	• HUD passbook rate reviewed annually • Checking accounts • \$50,000 imputed asset limit change • Calculating imputed versus real assets • Exclusion of retirement and educational savings accounts • Trust accounts

While AHFC IAD has outlined these changes, it is the responsibility of the Owner, Partners, and Managers to review the final rule to ensure the development has properly implemented these applicable changes to the program(s).

AHFC IAD has updated the verification/certifications forms available for your use. The forms can be found by visiting our website here:

<https://www.ahfc.us/pros/compliance-audit/affordable-housing-compliance-reference-manual>

Should you have any questions regarding this HOTMA changes please feel free to contact me directly at (907) 330-8418.

Sincerely,

Jerusha Gatfield
Compliance Officer
Internal Audit Department
Alaska Housing Finance Corporation