



December 8, 2016

Julián Castro, Secretary  
U.S. Department of Housing and Urban Development  
451 7<sup>th</sup> Street S.W.  
Washington, D.C. 20410

Dear Secretary Castro,

We are writing as an alliance of states that are executing Achieving a Better Life Experience (ABLE) Programs across the country. We represent a varied and unique set of administrative structures, but we all are tasked as state program managers with creating tax-advantaged savings accounts for people with disabilities. Assets individuals save in their ABLE accounts are not supposed to negatively impact their participation in federal and state benefit programs. By signature of the President in 2014, the federal Achieving a Better Life Experience Act (ABLE Act), provided a pathway for states to create these accounts and explicitly prohibited moneys in these accounts from being counted as income earned for the purposes of federal programs, like low income housing.

Millions of Americans are eligible to open ABLE accounts. Several states have already made them available. Many individuals are beginning to take advantage of this wonderful new financial tool, however, we have identified conflicts in the U.S. Housing and Urban Development (U.S. HUD) rules regarding qualifying people for low-income housing and how these ABLE accounts should be treated. Specifically, we are concerned that when U.S. HUD calculates income in order to determine eligibility for federal housing programs ABLE assets are being calculated as income, which deviates from the original spirit of the ABLE Act that stipulates that neither ABLE assets and distributions should not be calculated as income when dealing with federal benefits.

We encourage you to partner with us as we identify conflicting statutes and regulations, and quickly update them so that people in this country who wish to take advantage of ABLE accounts do not lose their housing.

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Thank you for your leadership at U.S. HUD. As a result of your efforts as Secretary, housing opportunities have expanded for all Americans.

We look forward to working with you in ensuring all Federal and State programs are aligned and the funds in individual's ABLE Accounts are properly protected as outlined in Federal Law.

Sincerely,



JOHN CHIANG  
California State Treasurer



DAN SCHWARTZ  
Nevada State Treasurer



MICHAEL W FRERICHS  
Illinois State Treasurer



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State of Rhode Island General Treasurer



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