

United States Senate

WASHINGTON, DC 20510

November 19, 2021

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Yellen,

I write regarding implementation of the Housing Assistance Fund (HAF), established by the American Rescue Plan, which makes available \$9.961 billion for states and other grantees to provide relief for vulnerable homeowners. As the federal foreclosure moratorium has ended and we quickly approach the year's end, it is critical that mortgage assistance be made available to households across the country as swiftly as possible to prevent a surge in foreclosures at the start of 2022. I urge the U.S. Department of the Treasury (the Department) to approve HAF plans submitted by grantees and make HAF funds available to states immediately.

I appreciate steps the Biden administration took earlier this year to extend the foreclosure moratorium and the forbearance enrollment window for borrowers with mortgages backed by federal agencies including the Department of Housing and Urban Development, Department of Veterans Affairs and Department of Agriculture. These steps, along with actions by the Federal Housing Finance Agency that provided similar relief for mortgages backed by Fannie Mae and Freddie Mac, have brought much-needed relief to homeowners who have been impacted by the economic fallout of the COVID-19 pandemic. Thus far, it has been reassuring to see private mortgage lenders offer similar options to mitigate foreclosure rates. However, as we approach the end of the year, it is expected that foreclosures will begin to climb as these preventative measures are likely rolled back.

In March 2021, Congress delivered vital federal funding through the American Rescue Plan's HAF program to prevent the wave of foreclosures that I fear is around the corner if federal mortgage assistance is not made fully available to grantees immediately. As you know, HAF funds can be used to prevent homeowner mortgage delinquencies, homeowner mortgage defaults, homeowner mortgage foreclosures, homeowner loss of utilities or home energy services and displacements of homeowners experiencing financial hardship. Cold weather has already arrived in states like New Hampshire, and many homeowners are in need of assistance to keep their homes warm this winter and to prevent foreclosures after the holidays.

I appreciate the Department's efforts to quickly release initial payments to grantees in April 2021 that total ten percent of the grantee's total allotment. New Hampshire is eligible to receive \$50 million in HAF relief and received an initial payment of \$5 million this spring. The New Hampshire Housing Finance Authority, the organization in New Hampshire contracted to manage this program, has worked tirelessly to assess the scope of need in the Granite State, engage stakeholders and develop a plan. While a number of grantees have already launched pilot programs to deliver foreclosure prevention assistance using their initial payments, New Hampshire has not and therefore does not currently have an operational program to deliver relief. For New Hampshire, and other states that have chosen not to launch pilot programs, it is pivotal that their full HAF allocations be made available so homeowners can access assistance.

As you know, states have been required to submit their detailed HAF plans to the Department for approval in order to receive the remainder of their allotment. I appreciate the Department's diligence in providing feedback on New Hampshire's HAF plan on November 10, 2021, to ensure these funds are accessible and the distribution is equitable. However, the current process has caused delays in HAF plans being approved and assistance going out the door. I have heard from stakeholders and homeowners in New Hampshire that it is essential for relief to be made available before the end of the year. I urge the Department to swiftly approve HAF plans and work with grantees to ensure they have the support necessary to successfully and efficiently get funds to homeowners in need.

I appreciate your attention to this urgent matter and stand ready to help in any way I can to ensure mortgage assistance is made available as quickly as possible to Granite Staters and homeowners across the country.

Sincerely,



Jeanne Shaheen
United States Senate