

United States Senate

WASHINGTON, DC 20510

April 15, 2020

The Honorable Steven Mnuchin
Secretary
Department of Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

Dear Secretary Mnuchin:

We write in support of our home state's formal program change request regarding their Hardest Hit Fund, submitted to the Department of Treasury (Treasury) on April 1, 2020. By permitting small regulatory changes, and at no additional cost to taxpayers, Treasury will be able to help at least 2,000 Oregonians maintain homeownership during the Covid-19 crisis.

Oregon's housing finance agency, Oregon Housing and Community Services (OHCS), successfully implemented Treasury's Hardest Hit Fund (HHF) in the wake of the 2009 financial crisis as the Oregon Homeownership Stabilization Initiative (OHSI). Since 2011, OHSI has helped over 14,000 homeowners avoid foreclosure through loans, grants and financial counseling. Because of OHCS's responsible stewardship of taxpayer dollars, OHSI has been operating on recycled program funds—reutilized through sales, repayment and refinancing—since early 2019. OHCS reports their recycled funds to measure \$25 million.

Treasury's current wind-down plan for HHFs requires OHCS to return these recycled funds in December of 2020. To meet that deadline, OHSI will have to stop accepting applicants on April 30, 2020. However, allowing OHCS to reopen its Loan Preservation Assistance (LPA) program for at least six months will enable OHSI to use these recycled funds to help Oregon homeowners weather the economic disruption caused by Covid-19. The infrastructure to provide this invaluable assistance is already in place, making this adjustment an efficient and responsible way to keep families in their homes during this crisis.

In addition to this six-month program extension, OHCS requests approval to shift some of the recycled funds to OHSI's administrative budget. The original administrative budget was sufficient, but if the LPA program is re-opened, OHSI will need a small increase in funds for staffing. These adjustments to Oregon's program will allow OHSI to help Oregonians stay stably housed during this time of record unemployment and serious economic upheaval.

We strongly urge you to quickly grant this program change so that Oregon's outstanding housing finance agency can provide further aid to homeowners. There are hundreds of thousands of Oregonians who will need help getting through these next few months, but your swift approval of this program change request can provide urgently-needed assistance for at least 2,000.

Thank you for your consideration of this creative and responsible reuse of funds.

Sincerely,

A handwritten signature in blue ink that reads "Ron Wyden". The signature is fluid and cursive, with the first name "Ron" being more prominent than the last name "Wyden".

Ron Wyden
United States Senator

A handwritten signature in blue ink that reads "Jeffrey A. Merkley". The signature is written in a cursive style, with the first name "Jeffrey" and last name "Merkley" being clearly legible.

Jeffrey A. Merkley
United States Senator