

67A *sum*

**STATE OF NEW HAMPSHIRE**



GOVERNOR'S OFFICE  
— for —

**EMERGENCY RELIEF AND RECOVERY**

February 4, 2022

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court  
State House  
Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu  
And the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Pursuant to RSA 14:30-a, VI, authorize the Governor's Office for Emergency Relief and Recovery (GOFERR) to accept and expend funds in the amount of \$45,000,000 from the American Rescue Plan Act of 2021 (ARPA), Homeowners Assistance Fund (HAF) to fund COVID-19 homeowner and homeownership hardships upon approvals of the Fiscal Committee and Governor and Executive Council through June 30, 2023. This is an allowable use of Homeowner Assistance Fund established under Section 3206 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (March 11, 2021) (HAF). **100% Federal Funds.**

Funds are to be budgeted in account #01-002-002-020210-2428, GOFERR, Homeowners Assistance Fund, as follows:

<b>01-002-002-020210-24280000 ARP HOMEOWNER ASSISTANCE FUND</b>		<b><u>FY2022</u></b>	<b><u>FY2022</u></b>	<b><u>FY2022</u></b>
<b><u>CLASS</u></b>	<b><u>ACCOUNT</u></b>	<b><u>CURRENT MODIFIED BUDGET</u></b>	<b><u>BUDGET REQUEST</u></b>	<b><u>REVISED BUDGET</u></b>
<b><u>EXPENDITURES</u></b>				
040 – Indirect Costs	501587	\$5,000	\$2,500	\$7,500
041 – Audit Fund Set Aside	500801	\$4,250	\$45,003	\$49,253
072 – Grants Federal	500575	\$4,250,000	\$45,000,000	\$49,250,000
<b>TOTAL EXPENSES</b>		<b>\$4,259,250</b>	<b>\$45,047,503</b>	<b>\$49,306,753</b>
<b><u>SOURCE OF FUNDS</u></b>				
000 – Federal Funds	400338	\$4,259,250	\$45,047,503	\$49,306,753
<b>TOTAL REVENUE</b>		<b>\$4,259,250</b>	<b>\$45,047,503</b>	<b>\$49,306,753</b>

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
February 4, 2022  
Page 2 of 3

### EXPLANATION

GOFERR will use these federally-designated ARP - Homeowner Assistance Funds in the amount of \$45,000,000 to amend a grant with the New Hampshire Housing Finance Authority (NHHFA) for administration of the State's federally-approved HAF program, pursuant to Section 3206 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (March 11, 2021).

GOFERR previously submitted two "accept and expend" items, which have been authorized by the Fiscal Committee (June 18, 2021 Item 21-173 and January 21, 2022 Item 22-041) and Governor & Executive Council (June 30, 2021 Item #92 and January 26 2022 Item #67), relative to HAF for the administration costs of developing the plan, designing the program, and preparing for its launch.

Funding for this program is separate and distinct from ARPA State and Local Fiscal Recovery Funds, and before the State was provided use of these funds for this specific program it was required to submit a plan to U.S. Treasury for review and approval. Among other specifications, the plan was also required to outline homeowner eligibility and the types of assistance to be offered. The development of that plan required supporting data and involved public and stakeholder input. NHHFA facilitated that process, and in partnership with GOFERR, worked with Treasury to obtain approval for the planned program.

The New Hampshire HAF Program will be implemented and administered by NHHFA with the assistance of third party vendors and contractors when needed, given the short-term nature of the program.

The HAF program is intended to mitigate financial hardships suffered by New Hampshire residents associated with the COVID-19 pandemic by providing funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing that have not been, and are not anticipated to be, reimbursed by other federal, state, or local sources of assistance. The grant funds will be used for allowable expenses incurred through September 30, 2025, should funding allow or unless an extension is granted.

The full NH HAF Program plan and related terms have been provided along with this item, but below you will find a summary concerning general eligibility and the types of assistance provided by the program.

**Eligibility:** Generally, homeowners must own and occupy the property as their primary residence; have an income of less than 125 percent of the Area Median Income (AMI) for where they live; and have experienced a pandemic-related reduction in income or an increase in household expenses after January 21, 2020.

**Types of Assistance:** Three types of assistance will be provided, with a cumulative maximum benefit per household of \$20,000, and each type of assistance has an individual maximum as well.

- **Mortgage Loan Reinstatement** – funds for delinquent mortgage payments (maximum benefit - \$20,000).

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
February 4, 2022  
Page 3 of 3

- **Property Charges Default Resolution** – funds for delinquent property taxes, homeowner insurance, homeowner association or condominium fees/dues, and co-op maintenance or lot rents (maximum benefit - \$20,000).
- **Utility / Internet Payment Assistance** – funds for delinquent utility costs, such as electricity, gas, heating fuel, and internet payments (maximum benefit - \$3,000).

**Other key elements:**

- Eligible properties include single-family (attached or detached) homes, condominium units, 1-4 unit houses that are owner-occupied and manufactured/modular homes (specific requirements apply).
- Regardless of a homeowner's eligibility for the NH HAF Program, housing counseling and legal services (often at no or low cost) are available.
- The program is designed to work with other available assistance.
- The program also requires:
  - Homeowners seeking mortgage assistance must first seek assistance from their loan servicer to remedy any default or delinquency, without HAF funds; and
  - Homeowners that receive over \$5,000 of HAF assistance must sign a note and mortgage, which will be recorded and will be forgiven after two years if the homeowner maintains ownership of the property during those two years and meets other requirements.

NHHFA will engage in robust outreach and marketing as part of an overall communications, outreach, and marketing plan to encourage eligible homeowners to apply, as well as ensure loan servicers, municipalities, and utilities are aware of the program. Included in the plan is a focus on underserved homeowners. A dedicated website will also provide program specific information, guidance, resources, and a portal for submitting an application.

The following appropriation authorities are being requested:

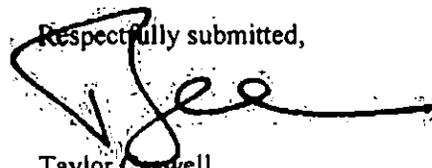
Class 040 – Indirect Costs – Appropriations needed to pay required SWCAP or indirect cost fees

Class 041 – Audit Fund Set Aside – Appropriations needed to pay required audit fees

Class 072 – Grants Federal – Appropriations necessary to support rental assistance program(s)

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Taylor Caswell  
Executive Director, GOFERR