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NOTICES

HOUSING FINANCE AGENCY

Homeowner's Emergency Mortgage Assistance Program; Period of High Unemployment

[50 Pa.B. 3187]

[Saturday, June 27, 2020]

On May 22, 2020, it was announced by the Department of Labor and Industry that seasonably adjusted unemployment rate in this Commonwealth for April 2020 was 15.1%. It was also announced on that date that the March 2020 unemployment rate was 5.8%. The latest unemployment data reported for February 2020 was 4.7%. Thus the average unemployment rate for the 3-month period of February, March and April is 8.53%.

Section 405-C(f.1) of the Housing Finance Agency Law (act) (35 P.S. § 1680.405c) provides as follows:

Section 405-C

* * * * *

(f.1) The twenty-four (24) month limit on assistance available under this act established in subsection (f) and referenced in sections 401-C(a)(5), 403-C(f) and 404-C(a)(5) and (12) shall increase to thirty-six (36) months if during the month the homeowner submits an application for assistance the average rate of total unemployment in the Commonwealth, as seasonally adjusted, for the period consisting of the most recent three (3) months for which such data for the Commonwealth is published before the close of such month equals or exceeds six and one-half (6.5) percent.

* * * * *

Similarly, section 406-C(2.1) of the act (35 P.S. § 1680.406c) provides as follows:

Section 406-C

* * * * *

(2.1) The forty (40) percent ratio established under paragraphs (1) and (2) shall be reduced to thirty-five (35) percent if during the month the homeowner submits an application for assistance the average rate of total unemployment in the Commonwealth, as seasonally adjusted, for the period

consisting of the most recent three (3) months for which such data for the Commonwealth is published before the close of such month equals or exceeds six and one-half (6.5) percent.

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In furtherance of the statutory provisions, the Housing Finance Agency's (Agency) published Guidelines for the Homeowner's Emergency Mortgage Assistance Program (Program) (12 Pa. Code §§ 31.201—31.211 (relating to policy statement on Homeowner's Emergency Mortgage Assistance Program)) provide in 12 Pa. Code § 31.210 (relating to periods of high unemployment) as follows:

§ 31.210. Periods of high unemployment.

(a) *Months of assistance available.* The 24 month limit on mortgage assistance available under § 31.203(d), and the 24 month periods referred to in §§ 31.202(d)(1), 31.203(a)(3)(ii), 31.204(c)(2) and 31.206(a) and (d)(2) shall increase to 36 months if during the month the homeowner submits an application for assistance the Agency has determined that a period of high unemployment exists.

(b) *Housing expense formula.* The 40% ratio referred to in §§ 31.204(c) and (e) and 31.205(c)(3) (relating to agency review; and financial hardship due to circumstances beyond the homeowner's control) shall be reduced to 35% if during the month the homeowner submits an application for assistance the Agency has determined that a period of high unemployment exists.

(c) *Definition; declaration.* There shall be a "period of high unemployment" if the average rate of unemployment in this Commonwealth equals or exceeds 6.5%. This determination will be made by the Agency on a monthly basis based upon seasonably adjusted unemployment figures for the most recent 3 months for which the data for this Commonwealth is published. If the Agency determines that a period of high unemployment exists, the Agency will immediately publish a notice to that effect in the *Pennsylvania Bulletin* consistent with this section.

Consequently, the Agency has determined that a period of high unemployment exists with respect to applications received for the Program during the month of May 2020 and that the 36-month and 35% figures shall be applicable with respect to the applications.

The Agency will continue to monitor unemployment figures on a monthly basis. If, based upon unemployment data published in June of 2020 for the month of May 2020, the average unemployment rate for the 3-month period of March, April and May 2020 remains at or above 6.5%, the 36-month and 35% figures shall continue to apply with respect to applications received during the month of June and for each month thereafter until the 3-month calculation produces an average result of less than 6.5% at which point the Agency will publish a new notice to inform the public that the Commonwealth is no longer in a period of high unemployment and that the 36-month and 35% figures are changed to 24 months and 40%, respectively.

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