A RESOLUTION

1. Directing the Legislative Budget and Finance Committee to
2. conduct an economic impact study of the Homeowners Emergency
3. Mortgage Assistance Program in this Commonwealth.

4. WHEREAS, Since 1983, Pennsylvania has had a unique and highly
5. effective program to prevent foreclosures, the Homeowners
6. Emergency Mortgage Assistance Program (HEMAP); and
7. WHEREAS, HEMAP has provided loans to more than 46,000
8. families facing foreclosure due to circumstances beyond their
9. control and who have had a likelihood of being able to resume
10. their payments in the future; and
11. WHEREAS, HEMAP provided short-term, low-interest loans to
12. help homeowners continue making mortgage payments; and
13. WHEREAS, According to Moody's Investors Service, the HEMAP
14. program has been more successful for families than the national
15. Home Affordable Modification Program; and
16. WHEREAS, State appropriations for the HEMAP program have been
17. $10,000,000 to $11,000,000, however, in 2011-2012, the
18. appropriation was $2,000,000; and
WHEREAS, According to the Reinvestment Fund, the Pennsylvania Housing Finance Agency has administered more than $442,000,000 in loans for this program, with 20,000 loans being repaid in full and a return of principal and interest of more than $246,000,000; therefore be it

RESOLVED, That the Senate direct the Legislative Budget and Finance Committee to conduct an economic impact study of the HEMAP program; and be it further

RESOLVED, That the economic impact study include:

(1) Analysis of the impact of the program on Commonwealth housing and mortgage lending markets.

(2) The impact on families in this Commonwealth due to the financial reduction of the program.

(3) The cost and benefits of the program to communities, neighborhoods, homeowners and financial services institutions.

(4) The impact of these homeowners being able to sell their homes or being forced into foreclosure;

and be it further

RESOLVED, That the committee submit its study to the Senate no later than 90 days from the adoption of this resolution.