

**AHFC Homeownership Assistance**

**FY2022 Request: \$0**

**Reference No: AMD 63418**

**AP/AL:** Appropriation

**Project Type:** Economic Assistance

**Category:** General Government

**Location:** Statewide

**House District:** Statewide (HD 1-40)

**Impact House District:** Statewide (HD 1-40)

**Contact:** James Wiedle

**Estimated Project Dates:** 07/01/2020 - 06/30/2025

**Contact Phone:** (907)330-8359

**Brief Summary and Statement of Need:**

\$9.961 billion was appropriated for a new Homeowner Assistance Fund at the US Department of the Treasury as a result of Section 3206 of the American Rescue Plan Act of 2021. From this fund, Treasury will make a grant to Alaska to administer programs assisting homeowners with mortgage payments; financial assistance to reinstate a mortgage related to a period of forbearance, delinquency, or default; principal reduction; interest rate reductions; utilities and internet service; homeowners insurance, flood insurance, and mortgage insurance; and other assistance to promote housing stability for homeowners. Alaska anticipates receiving \$50.0 million from this fund.

<b>Funding:</b>	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	Total
1002 Fed Rcpts							\$0
1265 COVID Fed	\$50,000,000						\$50,000,000
<b>Total:</b>	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$50,000,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> Ongoing
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Prior Funding History / Additional Information:**

The appropriation is a one-time request for funding available under the American Rescue Plan Act.

**Project Description/Justification:**

Funds may be used for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financing hardship after January 21, 2020, and for other activities allowed under Section 3206 of the Act, Homeownership Assistance Fund.

Funding is based on a formula that considers: 1) the average number of individuals who are unemployed over a time period between 3 to 12 months; 2) the total number of mortgagors with either mortgage payments that are more than 30 days past due or mortgages in foreclosure. Alaska will receive the "small-state" floor appropriation of \$50 million.

States must use at least 60 percent of their grants to assist homeowners earning no more than

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100 percent of the greater of area median income or nationwide median income. With the remaining funds, states must prioritize socially-disadvantaged individuals as defined by the Small Business Act. Funding is available until September 30, 2025.