

TRAINING AND EMPLOYMENT NOTICE	NO. 12-09
	DATE October 22, 2009

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
STATE LABOR COMMISSIONERS

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Engagement of the Public Workforce System with the
HOPE NOW Alliance to Maximize Homeownership and Prevent
Unnecessary Foreclosures

1. **Purpose.** To increase awareness of the public workforce system about the HOPE NOW Alliance and its continuing efforts to assist American homeowners, and to encourage the full engagement of local Workforce Investment Boards and One-Stop Career Centers in providing support to the Alliance's activities.
2. **Background.** The HOPE NOW Alliance is a private sector, broad-based group whose mission is to maximize homeownership and minimize unnecessary foreclosures. The Alliance's key objective is to help Americans stay in their homes and, when that is not possible, prevent unnecessary foreclosures.

In 2007, the Department of the Treasury and the Department of Housing and Urban Development (HUD) encouraged leaders in the mortgage industry to form the HOPE NOW Alliance. HOPE NOW currently includes a significant number of organizations involved in this industry - mortgage companies that account for more than 80% of serviced mortgage loans, as well as key industry mortgage associations, government sponsored enterprises (i.e., Fannie Mae and Freddie Mac), mortgage insurers, HUD-approved counseling agencies, and other mortgage market participants. HOPE NOW collaborates with the Federal government through the implementation of programs such as President Barack Obama's *Making Home Affordable Program* and the Federal Trade Commission's *Anti-Scam Campaign*.

Since its inception, Alliance members have been working together on strategic, technological, reporting and operational initiatives that improve the overall mortgage assistance process for the homeowners.

HOPE NOW primarily conducts this work through a housing counseling hotline, an outreach campaign and workshops.

Hotline. HOPE NOW has a partnership with the Homeowner's HOPE™ Hotline (888-995-HOPE™), a service managed by the Homeownership Preservation Foundation. The Homeownership Preservation Foundation (HPF) is an independent non-profit organization that provides housing counseling through a broad network of HUD certified counseling agencies which are dedicated to helping homeowners. HPF has a single mission: to help homeowners avoid foreclosure. When a homeowner calls the Hotline, they are connected to one of the HUD approved counseling agencies that are part of the HPF network. All counseling is free to the homeowner.

Outreach. Through HOPE NOW's national outreach letter campaign, mortgage companies contact at-risk homeowners on a monthly basis, urging them to call their mortgage company or a HUD approved counselor at the Hotline. Since November 2007, HOPE NOW member mortgage companies have sent nearly 4.9 million letters to homeowners who are 60 days or more delinquent on their mortgage and have not made contact with their mortgage company. The letters encourage homeowners to reach out to HUD approved counselors or to engage with their mortgage company. As part of another outreach effort, a national Ad Council campaign led by NeighborWorks® America also urges homeowners in trouble to call the Hotline because *"Nothing is worse than doing nothing."*

Through HOPE NOW's newly designed website (www.hopenow.com), homeowners may now request assistance from their mortgage company by simply filling out an on-line form. The form is sent directly to the homeowner's mortgage company. The HOPE NOW website also features various tools that educate and inform borrowers. HOPE NOW, for example, has endorsed the Federal Trade Commission's anti-scam campaign, providing guidance to homeowners about trusted resources and tips to assist in avoiding a scam. HOPE NOW continues to explore various outreach strategies to help non-responsive homeowners to engage in seeking mortgage solutions.

Workshops. HOPE NOW collaborates with its members and local communities to conduct multi-state workshops where homeowners have the opportunity to speak with their mortgage company and/or a HUD certified housing counselor regarding their mortgage.

In 2008, HOPE NOW held 29 events across the United States, reaching over 20,000 homeowners, providing them free counseling and an opportunity to work with their mortgage company. From January through July 2009, HOPE NOW has reached 13,000 homeowners through 13 events across the country.

3. **ETA and HOPE NOW Alliance Current Activities.**

One of the major factors contributing to foreclosures is job loss. To facilitate preparation for and placement in employment, HOPE NOW has sought a partnership with the Employment and Training Administration (ETA). As a new Federal partner, ETA has undertaken a number of actions in concert with the HOPE NOW Alliance. These include:

- The exchange of “scripts” for the customer service representatives at the Department of Labor’s toll-free number (1-877-US2-JOBS) and Homeowner’s HOPE Hotline (888-995-HOPE™) to facilitate sharing information on mortgage assistance, and employment and training services and One-Stop Career Center locations. The individual Alliance members will also be adapting scripts to inform borrowers about unemployment resources available through the public workforce system.
- The incorporation of www.careeronestop.org/reemployment and Unemployment Insurance (UI) resources on the redesigned HOPE NOW website, and the addition of referrals on www.doleta.gov/usworkforce to HOPE NOW’s web resources and outreach efforts.
- Visits by HOPE NOW Alliance principals to One-Stop Career Centers in Richmond, Virginia and Wheaton, Maryland to learn first-hand about the full range of services available for customers.
- The introduction of a web-based information tool which provides UI beneficiaries’ potential income for a future 9-month period for use by mortgage lenders to verify whether UI beneficiaries qualify for refinancing their mortgages. Developed by ETA, this tool is available at http://www.ows.doleta.gov/unemploy/ben_entitle.asp.
- The development of a future www.workforce3one.org webinar which will provide an opportunity for the HOPE NOW Alliance to further educate the workforce community about resources available to homeowners that may be experiencing a hardship and/or foreclosure. The date and registration information for the webinar will be posted on www.workforce3one.org.
- The preparation and dissemination of a template flyer and PowerPoint presentation for local One-Stop Career Centers to use and tailor at their discretion when participating in the HOPE NOW Alliance workshops. These templates will be available on www.doleta.gov/usworkforce.

4. **Action Requested.** Local Workforce Investment Boards and One-Stop Career Centers are encouraged to share information about the objectives, activities, services,

and resources of the HOPE NOW Alliance with professional colleagues and customers. Center staff are also asked to provide every possible support to those individuals referred from the HOPE NOW Alliance who have experienced or are facing the prospect of job loss.

In addition, the workforce community in the following cities is specifically requested to offer assistance to the organizers and participants in the upcoming HOPE NOW workshops. Flyers with specifics about each event can be found on the website, www.hopenow.com. Detailed informational flyers are posted 2-3 weeks before the event. For more information or requests to participate, please contact Eric Selk, Eric@HOPENOW.com. The tentative workshop schedule includes:

- San Diego, CA (October 22)
- Riverside, CA (October 24)
- Atlanta, GA (October 29)
- St. Louis, MO (November 4)
- Dallas, TX (November 7)
- Jacksonville, FL (November 19)
- Detroit, MI (December 5)

As other HOPE NOW events are scheduled, representatives from HOME NOW will contact local Workforce Investment Board directors to invite them to offer assistance to the organizations and participants of the workshops.

5. **Inquiries.** General inquiries about HOPE NOW can be directed to Larry Gilmore, Larry@HOPENOW.com, or Eric Selk, Eric@HOPENOW.com. Questions for ETA should be directed to the appropriate regional office. Technical questions about the UI tool discussed in Section 3 can be directed to ETA_Webmaster@dol.gov.