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NACo supports existing federal programs addressing the national foreclosure crisis

WASHINGTON, D.C. – The National Association of Counties (NACo) recently adopted policy supporting four federal programs which address the national foreclosure crisis.

Foreclosures have a direct negative impact on county governments and their ability to maintain the revenues necessary to continue to deliver essential services and programs to communities. Vacant properties create not only a tax revenue challenge, but also pose various public health and safety hazards in neighborhoods, which result in costly interventions for county governments to address.

During NACo’s 2011 Legislative Conference held March 3-7 in Washington, D.C., the Board of Directors on the recommendation of the Community and Economic Development Steering Committee, passed a resolution in support of the Home Affordable Modification Program (HAMP), the FHA Refinancing Program, the Emergency Mortgage Relief Program, and the Neighborhood Stabilization Program 3.

County officials are concerned about proposed legislation in Congress to eliminate the programs.

NACo says the Home Affordable Modification Program has helped 521,630 homeowners modify their subprime mortgages. The FHA Refinancing Program and the Emergency Mortgages Relief Program provides critical funding for up to 12 months for homeowners facing foreclosure.

Proposed legislation would also terminate the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 that provided $1 billion for the Neighborhood Stabilization Program 3. The program provides funding by formula to counties, cities, and states for acquisition, rehabilitation and disposition of abandoned and foreclosed homes to prevent and address blight.

“These programs are a critical part of a comprehensive approach to addressing the current housing crisis,” said Lee May, commissioner, DeKalb County, Ga., who chairs NACo’s Community and Economic Development Steering Committee. “The federal government needs to continue to work together with state and local governments to address these serious challenges.”

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The National Association of Counties (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo provides essential services to the nation’s 3,068 counties. NACo advances issues with a unified voice before the federal government, improves the public’s understanding of county government, assists counties in finding and sharing innovative solutions through education and research, and provides value-added services to save counties and taxpayers money. For more information about NACo, visit www.naco.org.