

Congress of the United States
Washington, DC 20515

Director Mel Watt
Federal Housing Finance Agency, Office of the Director
400 7th Street S.W.
Washington, D.C. 20024

March 31, 2014

Dear Director Watt,

Please accept our congratulations on taking the helm of the Federal Housing Finance Agency. As members of Congress, we are looking forward to your leadership on crucial housing issues that have such great implications for our entire economy. We also want to thank you for your service to this country as US Congressmen. You may now be a former colleague, but you'll always be a friend to the many who worked in Congress with you.

We are writing today to respectfully request that the Federal Housing Finance Agency direct the Government Sponsored Enterprises (GSEs) to impose a 6-month forbearance on loan payments on GSE-guaranteed mortgages for struggling borrowers who were current on their payments before losing their unemployment insurance due to recent congressional inaction if they were in good standing before losing their unemployment insurance. Not only would this be helpful to struggling Americans, but it's a policy that is beneficial to taxpayers. These borrowers, who were previously current despite having already lost their jobs, have demonstrated their willingness to try to repay their loans, even in the face of great adversity. It's reasonable to believe that these borrowers will resume making their mortgage payments, allowing the GSEs to avoid costly and unnecessary foreclosures.

On Dec. 28, 1.3 million Americans immediately lost all of their unemployment insurance, with the expiration of the Emergency Unemployment Compensation program. Every week, on average, an additional 72,000 Americans are cut off—the equivalent of one person every eight seconds. This vital economic lifeline helps struggling Americans feed, clothe, and keep a roof over the heads of their families while they look for new employment.

Last week, the number of those cut off from emergency unemployment insurance surpassed 2 million Americans—men and women who worked hard, played by the rules, and lost their jobs through no fault of their own. Every week, another 72,000 people join their ranks, but Congress has been unable to come to an agreement to restore this essential lifeline. The lapse in emergency unemployment insurance is costing our economy 240,000 jobs this year alone. The Congressional Budget Office and economists and JP Morgan estimated that extending unemployment insurance would add 0.2 to 0.4 percent to GDP in 2014.

These Americans lost their jobs—and now their last lifeline, unemployment insurance—through no fault of their own. They don't deserve to lose their homes as well. A few weeks ago, we introduced legislation to this effect. However, in the current political environment, it is unfortunately unlikely this legislation will be taken up and passed. If Congress can't act, we are asking that you take action in our stead. Please direct the GSEs to implement a 6 month forbearance on loan payments on GSE-guaranteed mortgages for people who have lost their unemployment insurance due to recent congressional inaction if they were in good standing before losing their unemployment insurance.

Thank you,



Matt Cartwright
Member of Congress



Steven Horsford
Member of Congress



Robert Brady
PA-1



James Langevin
RI-2



David Cicilline
RI-1



Kathy Castor
FL-14



Frederica Wilson
FL-24



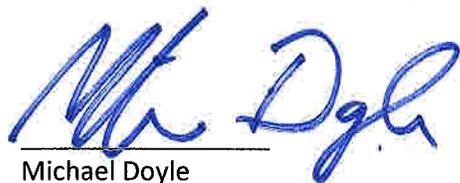
Jackie Speier
CA-14



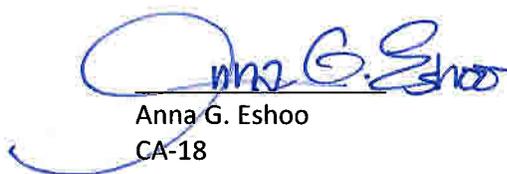
Mike Thompson
CA-5



Frank Pallone
NJ-6



Michael Doyle
PA-14



Anna G. Eshoo
CA-18



Mark Pocan
WI-2



Janice Hahn
CA-44



Joyce Beatty
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Gerald Connolly
VA-11



Alan Grayson
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MA-2



Suzanne Bonamici
OR-1



Eric Swalwell
CA-15



Alan Lowenthal
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Jim McDermott
WA-7



Loretta Sanchez
CA-46



Sam Farr
CA-20



Chellie Pingree
ME-1



Raul Ruiz
CA-36



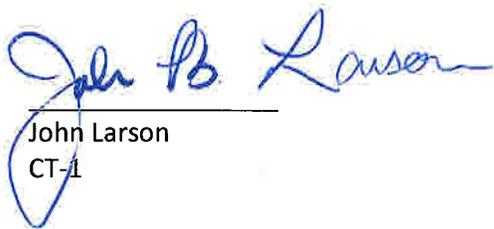
Hakeem Jeffries
NY-8

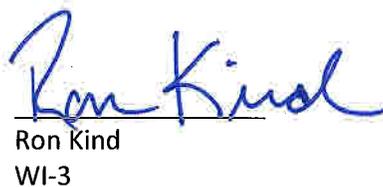


Zoe Lofgren
CA-19



Joe Garcia
FL-26


John Larson
CT-1


Ron Kind
WI-3


Mark Takano
CA-41


Tony Cárdenas
CA-29


Raúl Grijalva
AZ-3


Judy Chu
CA-27


Carol Shea-Porter
NH-1


Grace Napolitano
CA-32


Jared Huffman
CA-2


Chris Van Hollen
MD-8


Michael Honda
CA-17


William Enyart
IL-12


Katherine Clark
MA-5


Corrine Brown
FL-5


Nydia Velázquez
NY-7


Lucille Roybal-Allard
CA-40


Marcia L. Fudge
OH-11


Joe Courtney
CT-2


Yvette Clarke
NY-9


Alcee L. Hastings
FL-20


Charles B. Rangel
NY-13


Janice Schakowsky
L-9

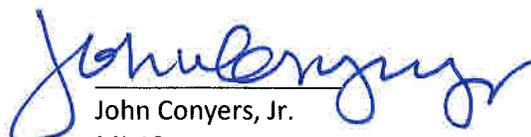

Steve Cohen
TN-9


Adam Schiff
CA-28


Rosa DeLauro
CT-3


C.A. Dutch Ruppersberger
MD-2


William Clay
MO-1


John Conyers, Jr.
MI-13



Stephen Lynch
MA-8



Peter DeFazio
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DC At-Large



Sheila Jackson Lee
TX-18



Marcy Kaptur
OH-9



George Miller
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Richard Neal
MA-1



Henry Johnson, Jr.
GA-4



Keith Ellison
MN-5



James Moran
VA-8



Rubén Hinojosa
TX-15



Barbara Lee
CA-13



Bobby Rush
IL-1



Chaka Fattah
PA-2



Richard Nolan
MN-8



André Carson
IN-7



Paul Tonko
NY-20



Eddie Bernice Johnson
TX-30



Louise Slaughter
NY-25



Gene Green
TX-29