



NEW YORK STATE SENATOR

Brian Kavanagh

Homeowners, Lawmakers and Advocates Call for New York to Fund Crucial Statewide Program Protecting Homeowners from Foreclosures and Deed Scams

BRIAN KAVANAGH March 14, 2024

| ISSUE: **HOPP FUNDING**



The Homeowner Protection Program (HOPP) needs \$40 million in the FY2025 budget in order to serve the hundreds of thousands of New Yorkers at risk of lose their homes, disproportionately in communities of color.

ALBANY, NY - Today, New York Legislators, including **Senate Housing Chair Brian Kavanagh**, **Assembly Housing Chair Linda B. Rosenthal**, **State Senator Jamaal Bailey**, **Assemblymember Sarah Clark**, **Assemblymember Jeffrey Dinowitz**, **Assemblymember Michaelle Solages**, and

Assemblymember Latrice Walker, joined advocates and homeowners from across the state to urge Gov. Hochul to fund the Homeowner Protection Program (HOPP), the state's only program that provides free legal help and housing counseling to homeowners targeted by mortgage fraud, scams and foreclosures in every county of the state. Both the State Senate and Assembly included \$40 million for HOPP in their one house bills this week.

Homeowners who have personally benefited from the lawyers and counselors funded by HOPP spoke to how the program has kept their families in their longtime homes.

With foreclosure risk rising since the pandemic, HOPP is critical for fighting displacement, gentrification, and the hollowing out of communities of color who after decades of exclusionary redlining and targeting for predatory loans by big banks, are still being assailed by an array of bad actors. Last year's monthly average of mortgage delinquency in New York was 15% among Black and Hispanic homeowners, more than double that of white homeowners.

"For over a decade, HOPP has consistently benefited our communities and helped mitigate the effects of the affordable housing crisis by helping thousands of homeowners avert the loss of generational wealth that results when homes are lost to foreclosure or to scams such as deed theft," said **Senator Brian Kavanagh, Chair of the Senate Housing Committee**. "Without HOPP funding, the program will cease to function, leaving cash-strapped homeowners without the legal representation, counseling services, and advice they need when dealing with well represented banks, mortgage servicers, and scammers. I thank Assembly Housing Chair Linda Rosenthal, and our colleagues in both houses of the legislature, along with the many housing advocates and homeowners who joined us in supporting the inclusion of \$40 million for HOPP in our legislative budget resolutions. I am committed to doing everything I can to ensure that the final budget fully funds this essential program."

"At a time when homeownership feels increasingly out of reach for so many struggling New Yorkers, it is critical that our final budget fully funds the Homeowner Protection Program," said **Assemblymember Linda B. Rosenthal, Chair of the Assembly Committee on Housing**. "New York State has the unfortunate distinction of ranking among the states with the lowest rates of homeownership. Cities across our state have seen major upticks in foreclosure over the last year. The HOPP program provides desperately needed support to the many fine housing counseling and legal services organizations that throw a lifeline to those at risk of foreclosure. After being omitted from the Executive Budget proposal, I am proud that the Assembly restored the \$40 million in funding for this program and will be working over the coming weeks to ensure it remains in our final budget."

"New Yorkers work hard to achieve the dream of homeownership. But far too often, homeowners are at risk of losing their most valuable asset and destroying the wealth that's been created over generations," said **Senator Zellnor Myrie**. "I'm proud to support funding for HOPP in this year's budget, and believe we must do more to protect vulnerable homeowners in our communities."

"Investing in the Homeowner Protection Program (HOPP) is not just about preserving homes; it's about safeguarding communities," said **Assemblyman Jeffrey Dinowitz**. "Adding HOPP funding to this year's budget empowers 89 non-profit organizations across New York State to support homeowners facing default and foreclosure. From financial counseling to legal representation, HOPP ensures that every homeowner has access to the resources they need to navigate through tough times and secure stable housing. Let's prioritize our neighborhoods' resilience and our citizens' well-being by bolstering HOPP funding today."

"Homeownership has long been one of the keys to generational wealth, community stability and public safety. It is part of the American dream," said **Assemblywoman Latrice Walker**. "In the midst of a statewide housing crisis, we not only have to increase housing stock, but we

also have to help people stay in their homes – including homeowners. In that spirit, I am proud of my Assembly colleagues for restoring \$40 million in our one-house budget proposal to fund the Homeowner Protection Program (HOPP). This will provide much needed counseling and legal assistance to homeowners in default, to those fighting foreclosure and to people who fall prey to deed theft or mortgage scams. HOPP is an absolute priority.”

“This program is the single best tool New York has to protect homeownership in vulnerable communities, and to prevent them from falling victim to deed theft scammers,” said **Jacob Inwald, Director of Litigation – Economic Justice at Legal Services NYC**. “Now more than ever, we need to keep families in their homes and prevent the loss of equity and intergenerational wealth that result from avoidable foreclosures.”

“There is an affordable housing crisis in New York and it can’t be addressed without HOPP, the only funding dedicated to protecting homeownership in the state,” said **Jim Dukette, HOPP Anchor Partner Program Director at Empire Justice Center**. “The most affordable home is the one you live in. HOPP advocates not only help the most vulnerable New Yorkers navigate the complex systems involved in the foreclosure process, but also mitigate the inequities in those systems. HOPP needs to be fully funded in the final budget, for New York homeowners and communities.”

"HOPP is a longstanding network relied upon by the court system and the laws protecting New York homeowners," said **Nic Rangel, Executive Director of The Legal Aid Society of Northeastern New York**. "HOPP is critical in preserving and promoting homeownership which bridges the wealth gap for our communities of color."

The HOPP program, comprised of 89 non-profit housing counseling and legal service providers across the state, help struggling homeowners keep their homes by fighting deed theft and mortgage fraud scams, helping homeowners apply for grants and loan

modifications, representing homeowners in court and finding alternative housing when they can no longer stay in their homes.

Historically, each \$1 million invested in HOPP yields a return of over \$5 million in tax and property cost savings. Last year, more than 20,000 people received assistance from the program — protecting their rights in court, lowering their bill payments and preventing avoidable foreclosures with home-saving solutions that benefit homeowners, lenders and local governments.

While legislative leaders have included the necessary \$40 million in funding in their spending bills, homeowners and advocates called on Gov. Hochul to honor that allotment — and not let this crucial program become a bargaining chip in budget negotiations.

Funding for the HOPP program runs out on July 15, 2024, potentially leaving struggling homeowners with nowhere to turn.

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