



Gulf Coast Oil Spill Related Programs



Department of Labor (DOL) has announced a total of \$27 million in National Emergency Grant awards to four key states to assist workers along the Gulf Coast who have been displaced as a result of the ongoing Deepwater Horizon oil spill. The states are Alabama, Florida, Louisiana and Mississippi. The resources are being provided to the states to increase their capacity to help workers now while they seek reimbursement from BP for the costs associated with retraining and re-employment assistance. Services funded by the grant money may include skills assessment, basic skills training, individual career counseling and occupational skills training.

http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=NEWS_RELEASES&p_id=17922



Veteran Affairs (VA) doesn't own mortgages, so it isn't in a position to provide mortgage relief for disasters. However, VA does generally communicate with lenders after disasters to request the lenders give consideration to the impact of the disaster on VA-backed mortgages.

VA's policy regarding natural disasters

http://www.homeloans.va.gov/docs/va_policy_regarding_natural_disasters.pdf



USDA's Rural Development Home Loan mortgage payment deferment (which they term moratorium) is an agreement between the Agency and a program borrower to suspend the requirement for the borrower to make payments for up to a two-year period. A moratorium is intended to help a borrower who is experiencing *temporary* financial difficulties avoid foreclosure. Before considering a moratorium, a borrower must first be considered for payment subsidy, or if currently receiving a payment subsidy, an increase in such assistance.

<http://www.rurdev.usda.gov/regs/hblist.html>

[http://www.deepwaterhorizonresponse.com/posted/2931/USDA Food and Nutrition Assistance Fact Sheet.670647.pdf](http://www.deepwaterhorizonresponse.com/posted/2931/USDA_Food_and_Nutrition_Assistance_Fact_Sheet.670647.pdf)



Freddie Mac has announced relief for the Gulf Coast borrowers affected by the oil spill. Freddie Mac's forbearance policies give servicers the discretion to suspend a borrower's mortgage payments for up to three months or reduce payments for up to six months. Servicers may recommend forbearance for up to 12 months, based on the borrower's individual circumstances.

http://www.freddiemac.com/news/archives/servicing/2010/20100617_relief.html



Fannie Mae has announced that servicers may immediately suspend or reduce mortgage payments for borrowers whose properties or income are negatively impacted by the Gulf oil spill.

<http://www.fanniemae.com/newsreleases/2010/5062.jhtml>



CitiMortgage announced a Foreclosure Suspension Program to help distressed homeowners in the Gulf of Mexico region. The aim of this program is to allow distressed homeowners to remain in their homes during these uncertain times as the Gulf communities respond to the oil spill and its economic repercussions. During the three-month suspension, effective June 17 through September 17, 2010, borrowers with first mortgage loans owned by CitiMortgage and who meet certain other criteria will not be subject to foreclosure sales or foreclosure notifications. <http://www.citigroup.com/citi/press/2010/100616b.htm>



HopeNow is an alliance between counselors, mortgage companies, investors, and other mortgage market participants. This alliance will maximize outreach efforts to homeowners in distress to help them stay in their homes and will create a unified, coordinated plan to reach and help as many homeowners as possible. The members of this alliance recognize that by working together, they will be more effective than by working independently.

<http://hopenow.com/>



SBA Economic Injury Disaster Loans (EIDL) provide assistance in the form of working capital loans to help small businesses, small agricultural cooperatives and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period. Financial assistance is available in the form of low-interest, long term loans for losses that are fully covered by insurance or other recoveries. SBA is also offering 12- month deferments on previous disaster loans.

Factsheets

http://www.sba.gov/idc/groups/public/documents/sba_program_office/serv_recent_la_12163_factsheet.pdf

http://www.sba.gov/idc/groups/public/documents/sba_homepage/dao2_release_10-493.pdf

<http://www.sba.gov/services/disasterassistance/businessesofallsizes/economicinjuryloans/index.html>

SBA Business Recovery Centers (BRCs)

http://www.sba.gov/idc/groups/public/documents/sba_program_office/sba_la_ofc.pdf



HUD Approved Housing Counseling Agencies can assist individuals with free foreclosure prevention services. As part of President Obama's comprehensive Homeowner Affordability and Stability Plan (HASP), you may be eligible for a special Making Home Affordable loan modification or refinance, to reduce your monthly payments and help you keep your home. If you are eligible for the loan modification or refinance program, the counselor will work with you to compile an intake package for your servicer. [Agencies in Louisiana](#)



Internal Revenue Service (IRS) released guidance to help people in the Gulf Coast area dealing with tax issues based on current law, which explains how recipients of payments from BP should treat the payments for tax purposes. According to the current law, BP payments for lost income are taxable in the same way that the wages or business income these payments are replacing would have been. The law treats compensation for lost wages or income differently for tax purposes than compensation for physical injuries or property loss, which generally are nontaxable. Individuals who have questions about the BP payments or who are experiencing filing or payment hardships because of the oil spill should contact the IRS at 866-562-5227. The special services phone line will operate weekdays from 7 a.m. to 10 p.m. local time.

<http://www.irs.gov/newsroom/article/0,,id=224757,00.html>

<http://www.irs.gov/newsroom/article/0,,id=224886,00.html>