

**Congress of the United States**  
**Washington, DC 20515**

July 26, 2012

The Honorable Leon Panetta  
Secretary of Defense  
U.S. Department of Defense  
1000 Defense Pentagon  
Washington, D.C. 20301-1000

Thank you for your continued service to the nation. We are writing to you about section 2866 of the National Defense Authorization Act of 2012 (Public Law 112-81) which required the Department of Defense to submit to Congress, by June 30, 2012, a report on the Homeowners Assistance Program (HAP). To date, this report has not been submitted to Congress.

As you know, the current Department of Defense HAP provides mortgage and foreclosure assistance to service members who receive permanent change of station (PCS) orders between February 1, 2006 and September 30, 2010, and have purchased, or signed a contract to purchase, their homes prior to July 1, 2006. However, the real estate markets in many military communities began declining after this date. Service members purchasing homes in these communities after the statutory date who subsequently receive orders to PCS are left with few options. They can sell their homes at a considerable loss, maintain multiple residences at a substantial cost, or they become delinquent on their mortgage and are forced to foreclose on their home.

This situation has a significant impact on the readiness of our military as service members are distracted by personal and financial issues, rather than focusing on their mission. Furthermore, negative credit reports resulting from mortgage delinquency and foreclosure can have a detrimental impact on a service member's ability to obtain or maintain a security clearance. Therefore it is important for Congress to understand the magnitude of this problem and to work in conjunction with the Department of Defense to address this issue.

Section 2866 directed the Department of Defense to provide a cost estimate for expanding eligibility of the HAP to PCS applicants who purchased homes between July 1, 2006 and July 1, 2008, and received reassignment orders after the September 30, 2010 deadline for program eligibility. Further, section 2866 required an estimate on the number of service members who received permanent change of station orders after the program eligibility deadline and had suffered a decline of at least a 10 percent in home value.

With this understanding, we respectfully request a status update on this requirement, and urge the Department of Defense to transmit this report to Congress without delay. We owe it to our service members to find a solution to this problem, but cannot make informed decisions without

this information. We look forward to your response and to working with you to identify options for addressing this issue.

Sincerely,



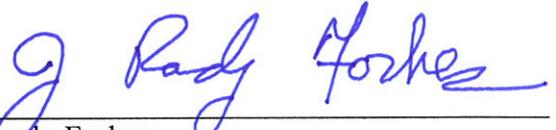
Joe Heck, D.O.  
Member of Congress



Gerald Connolly  
Member of Congress



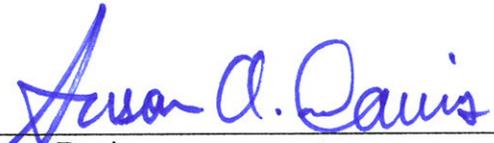
Howard "Buck" McKeon  
Member of Congress



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Susan Davis  
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Michael Turner  
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Tim Griffin  
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Niki Tsongas  
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Chellie Pingree  
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Eleanor H. Norton

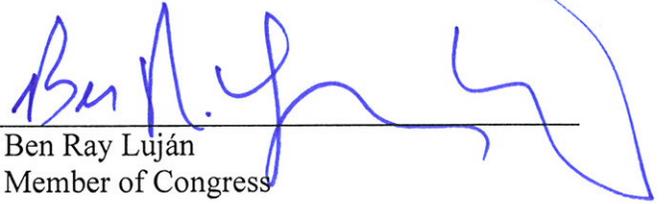
Eleanor Holmes Norton  
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Bill Huizenga

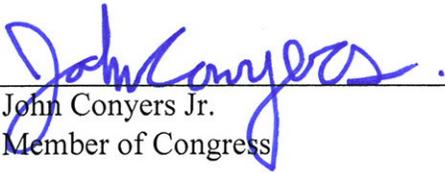
Bill Huizenga  
Member of Congress



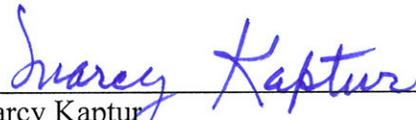
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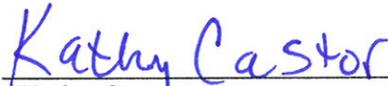
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Bob Filner  
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Kathy Castor  
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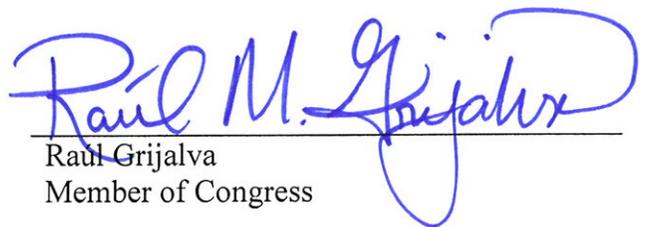
Robert E. Latta  
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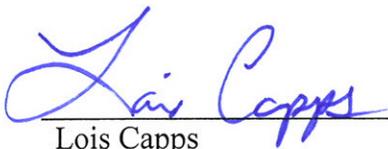
Russ Carnahan  
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Peter A. DeFazio  
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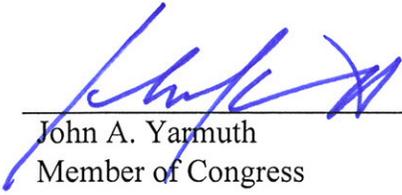
Raul Grijalva  
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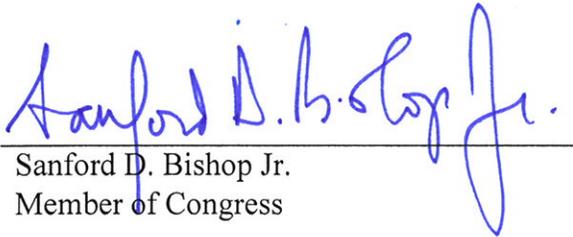
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John A. Yarmuth  
Member of Congress



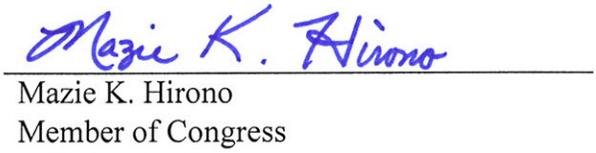
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Al Green  
Member of Congress



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Sanford D. Bishop Jr.  
Member of Congress



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Mazie K. Hirono  
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