April 20, 2022

Natasha Sarin
U.S. Treasury Deputy Assistant Secretary for Economic Policy
United States Secretary of Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Ms. Sarin,

The undersigned civil rights, consumer, and housing organizations write to encourage the U.S. Department of Treasury to direct state programs and administrators of the Homeowner Assistance Fund (HAF) to cease the use of ID.Me and any related facial recognition features as part of the HAF application process.

As you know, the HAF program is a critical lifeline for potentially millions of homeowners. As of March 1, 2021, 768,000 homeowners remained in COVID-19 related forbearance plans and 946,000 borrowers are in serious delinquency status.[*] It is imperative that there is an efficient and equitable implementation of the program, with minimal red tape, so that eligible applicants receive timely relief as Congress intended.

We are troubled that some states are using ID.Me as part of the HAF application process. Notably, in contrast, the Internal Revenue Services (IRS), recently discontinued the use of ID.Me in response to bipartisan opposition and serious privacy concerns. Sen. Ron Wyden (D.-OR) wrote the IRS in February, 2021, to urge the agency to stop requiring taxpayers to use facial recognition screening software to access tax records. In it, the Senator noted that:

> "[I]t is simply unacceptable to force Americans to submit to scans using facial recognition technology as a condition of interacting with the government online, including to access essential government programs. Furthermore, many facial recognition technologies are biased in ways that negatively impact vulnerable groups, including people of color, women, and seniors."[†]

The use of ID.Me in HAF applications similarly raises both privacy concerns for HAF applicants. Moreover, it increases the level and technicality of administrative burdens for applicants,and may delay or complicate disbursement of funds. Homeowners of color, and Latinos specifically, may hesitate to submit such forms of government intrusion and surveillance.

---

[*] https://www.blackknightinc.com/blog-posts/forbearances-continue-on-slowing-downward-track/?

[†] https://www.finance.senate.gov/imo/media/doc/Wyden%20irs%20id%20me%20letter.pdf

As a practical matter, housing advocates and counselors are already witnessing how use of ID.Me is hindering the application process and increasing administrative burden. For instance, housing counselors assisting a client with a HAF application have reported to the above-signed organizations that they have been unable to proceed because clients lacked the "right kind" of cell phone or did not know how to upload photos.

Tools that require biometrics generally may dissuade otherwise-eligible applicants from taking advantage of assistance and further erode trust in government, and have disproportionate effects on highly vulnerable groups. In particular, homeowners of color and those in mixed status families—which are X percent of Latino Americans, for example—are far more likely than are other groups to be more wary of the use of ID.Me in HAF applications because of the multiple instances where privileged, sensitive data, including but not limited to biometric data, has been shared with agencies such as Immigration and Customs Enforcement (ICE).[*]

Such a requirement also contradicts Congressional intent. Even today, many states do not have approved final plans and rollout for the program has been slow. Only 22 states and 2 territories have begun to accept HAF applications.[†] If states require use of a system like ID.Me, it will merely exacerbate ongoing delays in reaching homeowners in crisis, many of whom may be in the middle of a foreclosure proceeding.

The delays in state program execution do mean that Treasury still has time to clarify its views that facial recognition technology should not be an additional barrier for homeowners. We urge the Department to clarify that HAF programs cannot use ID.Me as part of the application process.

This move would improve equity by addressing access, including for homeowners of color. We welcome the opportunity to meet and further discuss inclusive design in homeowner access to HAF funds.

Sincerely,

Americans for Financial Reform Education Fund
California Community Builders
Connecticut Fair Housing Center
Consumer Credit and Budget Counseling, Inc d/b/a National Foundation for Debt Management
Housing California
Jacksonville Area Legal Aid, Inc.
National Consumer Law Center (on behalf of its low-income clients)
Revolving Door Project
Public Justice
UnidosUS

---

[*] https://www.washingtonpost.com/technology/2019/07/07/fbi-ice-find-state-drivers-license-photos-are-gold-mine-facial-recognition-searches/

[†] https://library.nclc.org/holding-foreclosures-while-homeowners-await-billions-haf-payments