

S 2452

Home Ownership Preservation and Protection Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Dec 12, 2007

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S15236-15244) (Dec 12, 2007)

Official Text: <https://www.congress.gov/bill/110th-congress/senate-bill/2452>

Sponsor

Name: Sen. Dodd, Christopher J. [D-CT]

Party: Democratic • **State:** CT • **Chamber:** Senate

Cosponsors (19 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Akaka, Daniel K. [D-HI]	D · HI		Dec 12, 2007
Sen. Boxer, Barbara [D-CA]	D · CA		Dec 12, 2007
Sen. Brown, Sherrod [D-OH]	D · OH		Dec 12, 2007
Sen. Casey, Robert P., Jr. [D-PA]	D · PA		Dec 12, 2007
Sen. Durbin, Richard J. [D-IL]	D · IL		Dec 12, 2007
Sen. Feinstein, Dianne [D-CA]	D · CA		Dec 12, 2007
Sen. Harkin, Tom [D-IA]	D · IA		Dec 12, 2007
Sen. Kennedy, Edward M. [D-MA]	D · MA		Dec 12, 2007
Sen. Kerry, John F. [D-MA]	D · MA		Dec 12, 2007
Sen. Klobuchar, Amy [D-MN]	D · MN		Dec 12, 2007
Sen. McCaskill, Claire [D-MO]	D · MO		Dec 12, 2007
Sen. Menendez, Robert [D-NJ]	D · NJ		Dec 12, 2007
Sen. Mikulski, Barbara A. [D-MD]	D · MD		Dec 12, 2007
Sen. Reed, Jack [D-RI]	D · RI		Dec 12, 2007
Sen. Schumer, Charles E. [D-NY]	D · NY		Dec 12, 2007
Sen. Clinton, Hillary Rodham [D-NY]	D · NY		Jan 28, 2008
Sen. Obama, Barack [D-IL]	D · IL		Jan 28, 2008
Sen. Whitehouse, Sheldon [D-RI]	D · RI		Jan 28, 2008
Sen. Lautenberg, Frank R. [D-NJ]	D · NJ		Mar 10, 2008

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Dec 12, 2007

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
110 S 1299	Related bill	May 3, 2007: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Home Ownership Preservation and Protection Act of 2007 - Amends the Truth in Lending Act to redefine high-cost mortgages and attendant lending practices. Sets forth a new formula for points and fees for open-end loans, and provides for bona fide discount points.

Prohibits: (1) prepayment penalties; (2) balloon payments; (3) yield spread premiums; (4) acceleration or debt; (5) evasions, structuring of transactions, and reciprocal arrangements; and (6) modification and deferral fees.

Prohibits creditors from financing, in connection with a high-cost mortgage, any prepayment fee or penalty, or any points or fees.

Prohibits an originator from making or arranging a high-cost mortgage loan that involves a refinancing of a prior existing home mortgage loan unless the new loan will provide a net tangible benefit to the consumer.

Sets forth prerequisites for subprime and nontraditional home loans, including: (1) an assessment of ability to pay; (2) a requirement of tax and insurance escrows; (3) prohibition of prepayment penalties and yield-spread premiums; and (4) a requirement of net tangible benefit to the consumer in the case of a subprime or nontraditional mortgage loan transaction that involves refinancing of an existing home mortgage.

Imposes a duty of care and a duty of good faith and fair dealing upon mortgage brokers and lenders, appraisers, and lenders and loan servicers.

Empowers state Attorneys General to enforce this Act.

Subjects lenders, loan servicers, creditors and mortgage brokers to civil liability for violations of this Act. Increases the amount of the penalty that may be awarded.

Amends the Real Estate Settlement Procedures Act of 1974 to require a transferor of loan servicing before the transfer to notify the borrower of the status of the account and its full payment history.

Amends the Housing and Urban Development Act of 1968 to revise requirements for foreclosure prevention counseling.

Amends the Truth in Lending Act to expand from three to six years an obligor's right of rescission.

Imposes liability for monetary damages upon assignees of subprime or nontraditional loans for violations of this Act.

Sets forth a remedy in lieu of rescission for certain violations.

Prohibits mandatory arbitration.

Subjects a lender to liability for certain actions, omissions, and representations made by a mortgage broker in connection with a high-cost mortgage, a subprime mortgage, or a nontraditional mortgage.

Amends the Federal Trade Commission Act to require the federal banking agencies and the National Credit Union Administration Board each to establish a separate division of consumer affairs protection and regulations with respect to depository institutions and federal credit unions.

Authorizes appropriations to employ additional agents of the Federal Bureau of Investigation and additional dedicated

prosecutors at the Department of Justice to coordinate prosecution of mortgage fraud efforts with the offices of the U.S. Attorneys.

Actions Timeline

- **Dec 12, 2007:** Introduced in Senate
- **Dec 12, 2007:** Sponsor introductory remarks on measure. (CR S15235-15236)
- **Dec 12, 2007:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S15236-15244)