

S 2888

Foreclosure Rescue Fraud Act of 2008

Congress: 110 (2007–2009, Ended)

Chamber: Senate

Policy Area: Housing and Community Development

Introduced: Apr 17, 2008

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Apr 17, 2008)

Official Text: <https://www.congress.gov/bill/110th-congress/senate-bill/2888>

Sponsor

Name: Sen. Kohl, Herb [D-WI]

Party: Democratic • State: WI • Chamber: Senate

Cosponsors (6 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Collins, Susan M. [R-ME]	R · ME		Apr 17, 2008
Sen. Lincoln, Blanche L. [D-AR]	D · AR		Apr 17, 2008
Sen. Boxer, Barbara [D-CA]	D · CA		Apr 22, 2008
Sen. Feinstein, Dianne [D-CA]	D · CA		May 6, 2008
Sen. Coleman, Norm [R-MN]	R · MN		Jun 10, 2008
Sen. Mikulski, Barbara A. [D-MD]	D · MD		Jun 17, 2008

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Apr 17, 2008

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Foreclosure Rescue Fraud Act of 2008 - Prohibits a foreclosure consultant from: (1) receiving compensation from a homeowner for services performed regarding residential real property until such consultant has fully performed each service contracted for; (2) holding power of attorney from any homeowner, except to inspect documents; (3) receiving consideration from a third party in connection with services rendered to a homeowner by such third party with respect to the foreclosure, unless such consideration is fully disclosed in writing before such services are rendered; (4) accepting any wage assignment, lien, or other security to secure compensation for services rendered regarding foreclosure of the residential real property; or (5) acquiring any interest in the residence of a homeowner with whom the consultant has contracted.

Sets forth contract requirements. Permits a homeowner to cancel such contract without penalty or obligation.

Declares void and unenforceable: (1) any waiver by a homeowner of the protections provided in this Act; and (2) any contract that does not comply with this Act.

Requires a loan servicer to notify a homeowner of the dangers of fraudulent activities associated with foreclosure if the servicer finds that the homeowner has failed to make two consecutive payments on a residential mortgage loan and such loan is at risk of foreclosure.

Subjects any foreclosure consultant who fails to comply with this Act to liability for actual and punitive damages and attorneys' fees.

Empowers the Federal Trade Commission (FTC) and the states to enforce this Act.

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### **Actions Timeline**

- **Apr 17, 2008:** Introduced in Senate
- **Apr 17, 2008:** Sponsor introductory remarks on measure. (CR S3160)
- **Apr 17, 2008:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.