

HR 5679

Foreclosure Prevention and Sound Mortgage Servicing Act of 2008

Congress: 110 (2007–2009, Ended)

Chamber: House

Policy Area: Housing and Community Development

Introduced: Apr 2, 2008

Current Status: Subcommittee Hearings Held.

Latest Action: Subcommittee Hearings Held. (Apr 16, 2008)

Official Text: <https://www.congress.gov/bill/110th-congress/house-bill/5679>

Sponsor

Name: Rep. Waters, Maxine [D-CA-35]

Party: Democratic • **State:** CA • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Hearings By (subcommittee)	Apr 16, 2008

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Foreclosure Prevention and Sound Mortgage Servicing Act of 2008 - Amends the Real Estate Settlement Procedures Act of 1974 to impose on a mortgagee a duty to engage in loss mitigation of covered federally related mortgage loans.

Prohibits initiation of foreclosure on such loans if the mortgagee or servicer has at any time failed to comply with the requirements of this Act.

Requires a mortgagee or servicer to pursue specified priority loss mitigation activities, with notice to the borrower or mortgagor, before considering secondary loss mitigation activities.

Sets forth criteria governing the affordability of scheduled payments due from the borrower pursuant to loss mitigation activities.

Requires the mortgagee or servicer to notify the mortgagor in writing within certain deadlines concerning prospective adjustable rate mortgage increases.

Requires a mortgagee or servicer to provide the borrower with direct access to authorized loss mitigation personnel.

Requires a servicer or mortgagee to forward to a housing counseling agency approved by the Department of Housing and Urban Development the contact information of any borrower whose federally related mortgage loan payment is more than 60 days late.

Prohibits a mortgagee for a federally related mortgage loan from requiring a borrower to: (1) limit or waive the right to bring any claims, defenses, demands, proceedings, actions, or causes of action against the mortgagee or servicer as a condition of accepting an offer of any loss mitigation activities; or (2) agree to arbitration as a condition of receiving loan modification activities.

Requires the servicer of a federally related mortgage loan to make available without charge, upon borrower's written request, specified account status and documentation.

Actions Timeline

- **Apr 16, 2008:** Referred to the Subcommittee on Housing and Community Opportunity.
- **Apr 16, 2008:** Subcommittee Hearings Held.
- **Apr 2, 2008:** Introduced in House
- **Apr 2, 2008:** Referred to the House Committee on Financial Services.