

## HR 1231

### Foreclosure Rescue Fraud Act of 2009

**Congress:** 111 (2009–2011, Ended)

**Chamber:** House

**Policy Area:** Housing and Community Development

**Introduced:** Feb 26, 2009

**Current Status:** Referred to the Subcommittee on Commerce, Trade and Consumer Protection.

**Latest Action:** Referred to the Subcommittee on Commerce, Trade and Consumer Protection. (Mar 2, 2009)

**Official Text:** <https://www.congress.gov/bill/111th-congress/house-bill/1231>

## Sponsor

**Name:** Rep. Moore, Gwen [D-WI-4]

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

## Cosponsors (10 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Frank, Barney [D-MA-4]	D · MA		Feb 26, 2009
Rep. Filner, Bob [D-CA-51]	D · CA		Mar 6, 2009
Rep. Schakowsky, Janice D. [D-IL-9]	D · IL		Mar 6, 2009
Rep. Carson, Andre [D-IN-7]	D · IN		Mar 23, 2009
Rep. Serrano, Jose E. [D-NY-16]	D · NY		Mar 25, 2009
Rep. Sires, Albio [D-NJ-13]	D · NJ		Mar 25, 2009
Rep. Hodes, Paul W. [D-NH-2]	D · NH		Apr 21, 2009
Rep. Kucinich, Dennis J. [D-OH-10]	D · OH		Apr 21, 2009
Rep. Davis, Susan A. [D-CA-53]	D · CA		Apr 28, 2009
Rep. Meeks, Gregory W. [D-NY-6]	D · NY		May 6, 2009

## Committee Activity

Committee	Chamber	Activity	Date
Energy and Commerce Committee	House	Referred to	Mar 2, 2009
Financial Services Committee	House	Referred To	Feb 26, 2009

## Subjects & Policy Tags

### Policy Area:

Housing and Community Development

## Related Bills

Bill	Relationship	Last Action
111 S 117	Related bill	Jan 6, 2009: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S89-92)

Foreclosure Rescue Fraud Act of 2009 - 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.

## **Actions Timeline**

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- **Mar 2, 2009:** Referred to the Subcommittee on Commerce, Trade and Consumer Protection.
- **Feb 26, 2009:** Introduced in House
- **Feb 26, 2009:** Referred to House Financial Services
- **Feb 26, 2009:** Referred to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
- **Feb 26, 2009:** Referred to House Energy and Commerce