

HR 788

To provide a safe harbor for mortgage servicers who engage in specified mortgage loan modifications, and for other purposes.

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Housing and Community Development

Introduced: Feb 2, 2009

Current Status: Placed on the Union Calendar, Calendar No. 5.

Latest Action: Placed on the Union Calendar, Calendar No. 5. (Feb 10, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/788>

Sponsor

Name: Rep. Kanjorski, Paul E. [D-PA-11]

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

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Castle, Michael N. [R-DE-At Large]	R · DE		Feb 2, 2009
Rep. Frank, Barney [D-MA-4]	D · MA		Feb 2, 2009
Rep. Capuano, Michael E. [D-MA-8]	D · MA		Feb 9, 2009

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Reported By	Feb 10, 2009

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Shields a servicer of pooled residential mortgages acting in compliance with certain fiduciary duties under the Truth in Lending Act from liability for entering into a loan modification or workout plan in connection with any such mortgages initiated before January 1, 2012.

Specifies that such servicers shall not be liable to: (1) any person based on that person's ownership of a residential mortgage loan or any interest in a pool of residential mortgage loans or in securities that distribute payments out of payments in loans on the pool; (2) any person obligated pursuant to a derivatives instrument to make payments determined in reference to any such loans or interest; or (3) any person that insures any such loans or interest under federal, state, or local law.

States that such servicers shall not be: (1) limited in loan modification ability, the number of mortgages that can be modified, the frequency of loan modifications, or the range of permissible modifications; or (2) obligated to repurchase loans from or otherwise make payments to the securitization vehicle on account of a loss mitigation workout, or other loss mitigation plan for a residential mortgage or a class of them that constitute a part or all of the mortgages in the securitization vehicle.

Makes a mortgage eligible under this Act only if: (1) mortgage default has occurred or is reasonably foreseeable; (2) the property securing the mortgage is occupied by the mortgagor; and (3) the servicer reasonably and in good faith believes that recovery of outstanding principal under the particular modification or workout plan or other loss mitigation action will exceed, on a net present value basis, the anticipated recovery to be realized through foreclosure.

Actions Timeline

- **Feb 10, 2009:** Reported (Amended) by the Committee on Financial Services. H. Rept. 111-13.
- **Feb 10, 2009:** Placed on the Union Calendar, Calendar No. 5.
- **Feb 4, 2009:** Committee Consideration and Mark-up Session Held.
- **Feb 4, 2009:** Ordered to be Reported (Amended) by Voice Vote.
- **Feb 2, 2009:** Introduced in House
- **Feb 2, 2009:** Referred to the House Committee on Financial Services.