

HR 101

Home Foreclosure Reduction Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Housing and Community Development

Introduced: Jan 6, 2015

Current Status: Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law.

Latest Action: Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law. (Jan 12, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/101>

Sponsor

Name: Rep. Conyers, John, Jr. [D-MI-13]

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

Cosponsors (5 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Cohen, Steve [D-TN-9]	D · TN		Jan 6, 2015
Rep. Jackson Lee, Sheila [D-TX-18]	D · TX		Jan 6, 2015
Rep. Johnson, Henry C. "Hank," Jr. [D-GA-4]	D · GA		Jan 6, 2015
Rep. McDermott, Jim [D-WA-7]	D · WA		Jan 6, 2015
Rep. Scott, Robert C. "Bobby" [D-VA-3]	D · VA		Jan 6, 2015

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Referred to	Jan 12, 2015

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Home Foreclosure Reduction Act of 2015

Amends federal bankruptcy law governing a Chapter 13 debtor (adjustment of debts of an individual with regular income) to exclude from the computation of debts the secured or unsecured portions of: (1) debts secured by the debtor's principal residence if the value of the residence is less than the applicable maximum amount of noncontingent, liquidated, secured debts; or (2) debts secured or formerly secured by the debtor's principal residence that was either sold in foreclosure or surrendered to the creditor if the property's value was less than the applicable maximum amount of noncontingent, liquidated, secured debts.

Applies the credit counseling requirement to a Chapter 13 debtor who certifies receipt of notice that the holder of a claim secured by the debtor's principal residence may commence a foreclosure on it.

Requires the court to disallow a claim that is subject to any remedy for rescission under the Truth in Lending Act, notwithstanding the prior entry of a foreclosure judgment.

Permits a Chapter 13 bankruptcy plan to modify the rights of claim holders with respect to a claim for a loan originated before the effective date of this Act and secured by a security interest in the debtor's principal residence that is the subject of a foreclosure notice.

Authorizes reduction of a claim secured by the debtor's principal residence, but only in specified circumstances, particularly if the debtor sells the residence.

Permits a Chapter 13 bankruptcy plan to deny debtor liability for certain fees and charges incurred while the bankruptcy case is pending and arising from a debt secured by the debtor's principal residence, unless the claim holder observes specified requirements.

Adds to conditions for court confirmation of a plan in bankruptcy that: (1) the holder of a claim secured by the debtor's principal residence retain the lien securing the claim until the later of the payment of the claim as reduced and modified, completion of all payments under the plan, or the discharge of a debtor from all debts; and (2) the plan modifies the claim in good faith and the court does not find that the debtor has been convicted of obtaining by actual fraud the extension, renewal, or refinancing of credit that gives rise to a modified claim.

Authorizes the court, upon request, to confirm a plan proposing a reduction in the interest rate on the loan secured by such security interest and that does not reduce the principal, if certain requirements are met.

Excludes from the final discharge of a debtor from all debts any unpaid portion of such a claim as reduced.

Amends the federal judicial code to prescribe standing trustee fees regarding certain payments received under a Chapter 13 bankruptcy plan.

Instructs the Comptroller General to study: (1) the number of Chapter 13 debtors who filed, during the year following enactment of this Act, for the purpose of restructuring their principal residence mortgages; (2) the number of mortgages restructured under this Act that subsequently resulted in default and foreclosure; (3) a comparison between the effectiveness of mortgages restructured under programs outside of bankruptcy and mortgages restructured under this Act; (4) the number of cases presented to the bankruptcy courts where mortgages were restructured under this Act that were appealed; (5) the number of bankruptcy cases where mortgages were restructured under this Act that were

overturned on appeal; (6) the number of bankruptcy judges disciplined as a result of actions taken to restructure mortgages under this Act; and (7) whether the amendments made by this Act should be amended to include a sunset clause.

Directs the Comptroller General to conduct: (1) a comprehensive review of the effects of the amendments made by this subtitle on the bankruptcy court, (2) a survey of whether the program should limit the types of homeowners eligible for the program, and (3) whether such amendments should remain in effect.

Actions Timeline

- **Jan 12, 2015:** Referred to the Subcommittee on Regulatory Reform, Commercial And Antitrust Law.
- **Jan 6, 2015:** Introduced in House
- **Jan 6, 2015:** Sponsor introductory remarks on measure. (CR E6-8)
- **Jan 6, 2015:** Referred to the House Committee on the Judiciary.