

105TH CONGRESS  
1ST SESSION

# H. R. 1283

To provide a moratorium on certain class action lawsuits relating to the  
Real Estate Settlement Procedures Act of 1974.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 1997

Mr. EHRLICH (for himself, Mr. NEY, Mr. FOX of Pennsylvania, Mr. LIPINSKI, Mr. BACHUS, Mr. BARR of Georgia, Mr. METCALF, Mr. BAKER, Mrs. KELLY, Mr. LATOURETTE, Mr. SNOWBARGER, Mr. KING, Mr. HEFLEY, Mr. CHABOT, Mr. JONES, Mr. INGLIS of South Carolina, Mr. NEUMANN, Mr. RAMSTAD, and Mr. WELLER) introduced the following bill; which was referred to the Committee on Banking and Financial Services, and in addition to the Committee on the Judiciary, 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

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## A BILL

To provide a moratorium on certain class action lawsuits  
relating to the Real Estate Settlement Procedures Act  
of 1974.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Real Estate Settlement  
5       Procedures Act Class Action Relief Act of 1997”.

1 **SEC. 2. MORATORIUM.**

2 Section 16 of the Real Estate Settlement Procedures  
3 Act of 1974 (12 U.S.C. 2614) is amended—

4 (1) by inserting “(a) IN GENERAL.—” after  
5 “SEC. 16.”; and

6 (2) by adding at the end the following new sub-  
7 section:

8 “(b) CLASS ACTION MORATORIUM.—During the pe-  
9 riod beginning on the date of the enactment of the Real  
10 Estate Settlement Procedures Act Class Action Relief Act  
11 of 1997 and ending on December 31, 1998, in any State  
12 or Federal civil action or lawsuit arising under this Act  
13 in which it is alleged that a payment of a thing of value  
14 was made by a lender to another lender or to a mortgage  
15 broker—

16 “(1) no party shall serve or cause to be served,  
17 or be required to respond to, any discovery concern-  
18 ing any class certification issue;

19 “(2) no State or Federal court may enter any  
20 order—

21 “(A) certifying any class, except an order  
22 certifying any class directly in connection with  
23 the settlement and compromise of any action;  
24 or

25 “(B) imposing any sanctions on any party  
26 for failing to comply with any discovery seeking

1           information concerning any class certification  
2           issue; and

3           “(3) all State and Federal courts shall stay all  
4           further proceedings in any such action in which an  
5           order certifying any class has been entered on or  
6           after January 1, 1996, for any purpose other than  
7           indirect connection with the settlement and com-  
8           promise of any such action.”.

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