

111TH CONGRESS
2D SESSION

S. 3979

To amend the Emergency Economic Stabilization Act of 2008 to allow amounts under the Troubled Assets Relief Program to be used to provide legal assistance to homeowners to avoid foreclosure.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 29, 2010

Mr. BROWN of Ohio (for himself, Mr. DURBIN, Mr. WHITEHOUSE, Mr. MERKLEY, Mr. REED, Mr. MENENDEZ, and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Emergency Economic Stabilization Act of 2008 to allow amounts under the Troubled Assets Relief Program to be used to provide legal assistance to homeowners to avoid foreclosure.

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 “Aiding Those Facing
5 Foreclosure Act of 2010”.

1 **SEC. 2. FORECLOSURE AVOIDANCE ASSISTANCE.**

2 Section 109 of the Emergency Economic Stabilization
3 Act of 2008 (12 U.S.C. 5219) is amended by adding at
4 the end the following new subsection:

5 “(d) **LEGAL ASSISTANCE.**—

6 “(1) **USE OF FUNDS.**—The Secretary may use
7 any amounts obligated under this title to provide as-
8 sistance to nonprofit counseling intermediaries and
9 nonprofit legal organizations to provide legal assist-
10 ance to homeowners of owner-occupied homes con-
11 sisting of from one to four dwelling units who have
12 mortgages on such homes that are in default or de-
13 linquency, in danger of default or delinquency, or
14 subject to or at risk of foreclosure, to assist such
15 homeowners with legal issues directly related to such
16 default, delinquency, foreclosure, or any deed in lieu
17 of foreclosure or short sale.

18 “(2) **PROHIBITION ON LITIGATION.**—Paragraph
19 (1) may not be construed to authorize the use of any
20 amounts made available under this title to provide,
21 obtain, or arrange on behalf of a homeowner, legal
22 representation involving or for the purposes of civil
23 litigation that is not directly related to any such de-
24 fault, delinquency, foreclosure, or any deed in lieu of
25 foreclosure or short sale.

1 “(3) AUTHORIZATION.—Amounts used as de-
2 scribed under paragraph (1) shall be deemed to be
3 for actions authorized under this title.”.

