

112TH CONGRESS
2D SESSION

S. 3589

To require the Comptroller of the Currency to establish a pilot program to facilitate communication between borrowers and servicers.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 20, 2012

Mr. REED introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the Comptroller of the Currency to establish a pilot program to facilitate communication between borrowers and servicers.

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 “Mortgage Modification
5 Outreach Act”.

6 **SEC. 2. PILOT PROGRAM REGARDING LOAN MODIFICATION**
7 **AND COMMUNICATION.**

8 (a) PROGRAM IMPLEMENTATION.—Not later than
9 180 days after the date of enactment of this Act, the
10 Comptroller shall, subject to such conditions and proce-

1 dures as the Comptroller shall establish, implement a pilot
 2 program to determine the feasibility of requiring residen-
 3 tial mortgage loan servicers to use their affiliated national
 4 bank consumer banking branches to provide to any of the
 5 servicer's residential mortgage borrowers applying for a
 6 loan modification the information described in subsection
 7 (b).

8 (b) INFORMATION FOR BORROWERS.—Each borrower
 9 described in subsection (a) shall, upon request by the bor-
 10 rower at a national bank consumer banking branch affili-
 11 ated with the borrower's servicer, receive, within a com-
 12 mercially reasonable period of time but no later than 3
 13 business days after the date of the request, at such
 14 branch—

15 (1) all relevant contact information for their
 16 single point of contact in connection with a loan
 17 modification application for purposes of the pilot
 18 program under subsection (a); and

19 (2) the address of a nearby location, within a
 20 reasonable distance of the borrower's current ad-
 21 dress, where the borrower may copy, fax, scan,
 22 transmit by overnight delivery, or mail or email doc-
 23 uments to the borrower's customer service represent-
 24 ative or the borrower's single point of contact at the
 25 servicer.

1 (c) DURATION AND EXTENSION.—

2 (1) IN GENERAL.—Subject to paragraph (2),
 3 the program authorized by this Act shall terminate
 4 18 months after the date on which the program is
 5 implemented.

6 (2) EXTENSION.—The Comptroller may extend
 7 the program authorized by this Act for an additional
 8 12 months.

9 **SEC. 3. REPORT TO CONGRESS.**

10 Not later than 270 days after the date of enactment
 11 of this Act, and thereafter on a quarterly basis until the
 12 termination of the pilot program, the Comptroller shall
 13 submit a report to Congress on the findings of the Com-
 14 ptroller regarding the pilot program which shall include a
 15 finding of whether the pilot program should be extended
 16 beyond a pilot.

17 **SEC. 4. DEFINITIONS.**

18 In this Act—

19 (1) the term “Comptroller” means the Comp-
 20 troller of the Currency; and

21 (2) the term “single point of contact” means an
 22 employee of the servicer who—

23 (A) is easily and reliably accessible to the
 24 borrower subject to reasonable employee safety
 25 protocols;

1 (B) shall be knowledgeable about the cur-
2 rent situation and status of the borrower; and

3 (C) shall provide information to the bor-
4 rower throughout the loss mitigation, loan
5 modification, or foreclosure process, as applica-
6 ble.

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