

113TH CONGRESS
2D SESSION

H. R. 5601

To provide amounts from the recent settlement between the Department of Justice and Bank of America for assistance under the Neighborhood Stabilization Program.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2014

Mr. GRAYSON introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To provide amounts from the recent settlement between the Department of Justice and Bank of America for assistance under the Neighborhood Stabilization Program.

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 “Foreclosure Restitu-
5 tion Act of 2014”.

6 **SEC. 2. USE OF SETTLEMENT AMOUNTS.**

7 (a) NEIGHBORHOOD STABILIZATION ASSISTANCE.—
8 From any amounts received by the Treasury as a civil
9 monetary penalty pursuant to the settlement agreement

1 specified in subsection (e), \$5,000,000,000 is hereby ap-
2 propriated, to remain available until expended, for use
3 only for providing assistance under title III of division B
4 of the Housing and Economic Recovery Act of 2008 (42
5 U.S.C. 5301 note) to units of general local government
6 (as such term is defined in section 102 of the Housing
7 and Community Development Act of 1974 (42 U.S.C.
8 5302)), subject to subsections (b), (c), and (d).

9 (b) ALLOCATION AND DISTRIBUTION.—The amounts
10 appropriated by subsection (a) shall be—

11 (1) allocated to units of general local govern-
12 ment based on a funding formula established by the
13 Secretary of Housing and Urban Development that
14 is based upon the number and percentage of home
15 foreclosures in each such unit; and

16 (2) distributed according to such funding for-
17 mula not later than 30 days after the establishment
18 of such formula.

19 (c) INAPPLICABLE PROVISIONS OF NSP.—The fol-
20 lowing provisions of title III of division B of the Housing
21 and Economic Recovery Act of 2008 shall not apply to
22 the assistance provided with amounts appropriated by sub-
23 section (a):

1 (1) Subsection (b) of section 2301 (42 U.S.C.
2 5301 note; relating to allocation of appropriated
3 amounts).

4 (2) Subparagraphs (B) and (C) of section
5 2301(c)(2) (42 U.S.C. 5301 note; relating to pri-
6 ority).

7 (3) Paragraph (3) of section 2301(c) (42
8 U.S.C. 5301 note; relating to exception for certain
9 States).

10 (4) Section 2302 (42 U.S.C. 5301 note; relat-
11 ing to nationwide distribution of resources).

12 (d) ELIGIBLE USES.—Notwithstanding subsection
13 (a) and paragraphs (1) and (4) of subsection (c) of section
14 2301 of the Housing and Economic Recovery Act of 2008
15 (42 U.S.C. 5301 note), amounts appropriated by sub-
16 section (a) of this section may be used by units of general
17 local government to assist in providing affordable housing
18 or to mitigate indirect costs relating to foreclosures on res-
19 idential mortgages.

20 (e) SETTLEMENT AGREEMENT.—The settlement
21 agreement specified in this subsection is the settlement
22 agreement entered into August 2014 between the United
23 States acting through the United States Department of
24 Justice, along with the States of California, Delaware, Illi-
25 nois, Maryland, and New York, and the Commonwealth

1 of Kentucky, acting through their respective Attorneys
2 General, and Bank of America Corporation, Bank of
3 America, N.A., and Banc of America Mortgage Securities,
4 as well as their current and former subsidiaries and affili-
5 ates.

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