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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

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A BILL

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Mortgage Modification Outreach Act''.

SEC. 2. PILOT PROGRAM REGARDING LOAN MODIFICATION AND COMMUNICATION.

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

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

(b) INFORMATION FOR BORROWERS.—Each borrower described in subsection (a) shall, upon request by the borrower at a national bank consumer banking branch affiliated with the borrower's servicer, receive, within a commercially reasonable period of time but no later than 3 business days after the date of the request, at such branch—

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

(2) the address of a nearby location, within a reasonable distance of the borrower's current address, where the borrower may copy, fax, scan, transmit by overnight delivery, or mail or email documents to the borrower's customer service representative or the borrower's single point of contact at the servicer.

(c) DURATION AND EXTENSION.—

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

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

SEC. 3. REPORT TO CONGRESS.

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

SEC. 4. DEFINITIONS.

In this Act—

(1) the term ''Comptroller'' means the Comptroller of the Currency; and

(2) the term ''single point of contact'' means an employee of the servicer who—

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

(B) shall be knowledgeable about the current situation and status of the borrower; and

(C) shall provide information to the borrower throughout the loss mitigation, loan modification, or foreclosure process, as applicable.

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