

112TH CONGRESS
1ST SESSION

H. R. 430

To terminate the Home Affordable Modification Program of the Department
of the Treasury.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 2011

Mr. JORDAN (for himself, Mr. ISSA, and Mr. MCHENRY) introduced the
following bill; which was referred to the Committee on Financial Services

A BILL

To terminate the Home Affordable Modification Program
of the Department of the Treasury.

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 “HAMP Repeal and
5 Deficit Reduction Act of 2011”.

6 **SEC. 2. CONGRESSIONAL FINDINGS.**

7 The Congress finds that—

8 (1) the Department of the Treasury designed
9 the Home Affordable Modification Program
10 (HAMP) to “help as many as 3 to 4 million finan-

1 cially struggling homeowners avoid foreclosure by
2 modifying loans to a level that is affordable for bor-
3 rowers now and sustainable over the long term”;

4 (2) only 504,648 active permanent mortgage
5 modifications were made under HAMP as of Decem-
6 ber 2010, according to Treasury statistics;

7 (3) at that time, the number of mortgage modi-
8 fications canceled under HAMP (774,081) exceeded
9 the number of modifications made permanent by a
10 3:2 ratio;

11 (4) many homeowners whose modifications were
12 canceled suffered because they made futile pay-
13 ments—some were even forced into foreclosure as a
14 result;

15 (5) approximately \$30 billion was allocated by
16 Treasury to HAMP as of September 2010; and

17 (6) the HAMP is a failure.

18 **SEC. 3. TERMINATION.**

19 (a) **TERMINATION OF AUTHORITY TO PROVIDE NEW**
20 **ASSISTANCE.**—Notwithstanding any other provision of
21 law, after the date of the enactment of this Act the Sec-
22 retary of the Treasury (in this Act referred to as the “Sec-
23 retary”) may not provide any assistance under the Home
24 Affordable Modification Program under the Making Home
25 Affordable initiative of the Secretary, authorized under the

1 Emergency Economic Stabilization Act of 2008 (Public
2 Law 110–343), on behalf of any homeowner, unless before
3 such date of enactment such homeowner was extended an
4 offer to participate in such Program on a trial or perma-
5 nent basis.

6 (b) **TERMINATION OF SERVICER CONTRACTS.**—Not-
7 withstanding any other provision of law, effective upon the
8 date of the enactment of this Act, all contracts entered
9 into between the Secretary of the Treasury and mortgage
10 servicers for carrying out the Home Affordable Modifica-
11 tion Program under the Making Home Affordable Initia-
12 tive of the Secretary shall be null and void, except to the
13 extent necessary to carry out the provision of assistance
14 under such Program on behalf of homeowners who, pursu-
15 ant to subsection (a), may be provided assistance after the
16 date of the enactment of this Act.

17 **SEC. 4. DEBT REDUCTION.**

18 (a) **USE OF UNOBLIGATED FUNDS.**—Notwith-
19 standing any other provision of law, the amounts described
20 in subsection (b) shall not be available after the date of
21 the enactment of this Act for obligation or expenditure
22 under the Home Affordable Modification Program under
23 the Making Home Affordable Initiative of the Secretary,
24 but shall be covered into the General Fund of the Treas-

1 ury and shall be used only for reducing the debt of the
2 Federal Government.

3 (b) IDENTIFICATION OF UNOBLIGATED FUNDS.—

4 The amounts described in this subsection are any amounts
5 made available under title I of the Emergency Economic
6 Stabilization Act or pursuant to the amendments made by
7 section 1117 of the Housing and Economic Recovery Act
8 of 2008 (Public Law 110–289; 122 Stat. 2683), that—

9 (1) have been allocated for use, but not yet obli-
10 gated as of the date of the enactment of this Act,
11 under the Home Affordable Modification Program
12 under the Making Home Affordable initiative of the
13 Secretary; and

14 (2) are not necessary for providing assistance
15 under such Program on behalf of homeowners who,
16 pursuant to section 3(a), may be provided assistance
17 after the date of the enactment of this Act.

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