

110TH CONGRESS  
1ST SESSION

# H. R. 3609

To amend title 11 of the United States Code with respect to modification of certain mortgages on principal residences, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 20, 2007

Mr. MILLER of North Carolina (for himself, Ms. LINDA T. SÁNCHEZ of California, Mr. FRANK of Massachusetts, Mrs. MALONEY of New York, and Mr. WATT) introduced the following bill; which was referred to the Committee on the Judiciary

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## A BILL

To amend title 11 of the United States Code with respect to modification of certain mortgages on principal residences, and for other purposes.

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 “Emergency Home  
5 Ownership and Mortgage Equity Protection Act of 2007”.

6 **SEC. 2. DETERMINATION OF SECURED STATUS.**

7 Section 506(b) of title 11, the United States Code,  
8 is amended by adding at the end the following:

1 “While a case is pending, no fee, costs, or charges may  
2 be added to a debt that is provided for in a chapter 13  
3 plan and is secured by the debtor’s principal residence un-  
4 less the holder of the secured claim gives timely notice of  
5 such fee, costs, or charge to the debtor and to the trust-  
6 ee.”.

7 **SEC. 3. LIMITATION OF 1978 EXEMPTION THAT PREVENTS**  
8 **FEDERAL BANKRUPTCY COURTS FROM MAK-**  
9 **ING MODIFICATIONS TO THE TERMS OF A**  
10 **MORTGAGE ON A DEBTOR’S PRINCIPAL RESI-**  
11 **DENCE.**

12 Section 1322(b)(2) of title 11, United States Code,  
13 is amended by striking “, other than a claim secured only  
14 by a security interest in real property that is the debtor’s  
15 principal residence,”.

16 **SEC. 4. MODIFICATION OF CLAIMS SECURED BY DEBTOR’S**  
17 **PRINCIPAL RESIDENCE.**

18 (a) CONTENTS OF PLAN.—Section 1322(b) of title  
19 11, the United States Code, is amended—

20 (1) in paragraph (10) by striking “and” at the  
21 end,

22 (2) by redesignating paragraph (11) as para-  
23 graph (12), and

24 (3) by inserting after paragraph (10) the fol-  
25 lowing:

1           “(11) provide for payment of allowed claims se-  
2           cured by the debtor’s principal residence consistent  
3           with section 1325(a)(5), over a period exceeding the  
4           period permitted under section 1322(d); and”.

5           (b) CONFIRMATION OF PLAN.—Section 1325(b)(5) of  
6 title 11, the United States Code, is amended by inserting  
7 “except as otherwise provided in section 1322(b),” after  
8 “(5)”.

9   **SEC. 5. ELIMINATION OF CREDIT COUNSELING REQUIRE-**  
10                           **MENT FOR CHAPTER 13 DEBTORS FACING**  
11                           **FORECLOSURE.**

12           Section 109(h) of title 11, United States Code, is  
13 amended by adding at the end the following:

14           “(5) The requirements of paragraph (1) shall not  
15 apply with respect to a debtor in a case under chapter  
16 13 who submits to the court a certification that the holder  
17 of a claim secured by the debtor’s principal residence has  
18 initiated a judicial or non-judicial foreclosure on the debt-  
19 or’s principal residence.”.

20   **SEC. 6. CONFIRMATION OF PLAN.**

21           Section 1325(a) of title 11, the United States Code,  
22 is amended—

23           (1) in paragraph (8) by striking “and” at the  
24           end,

1           (2) in paragraph (9) by striking the period at  
2           the end and inserting “; and”, and

3           (3) by inserting after paragraph (9) the fol-  
4           lowing:

5           “(10) notwithstanding paragraph (5)(B)(i)(I),  
6           the holder of a claim that is paid pursuant to section  
7           1322(b)(11) shall retain the lien securing such claim  
8           until payment of such claim.”.

9   **SEC. 7. DISCHARGE.**

10          Section 1328 of title 11, the United States Code, is  
11          amended—

12                 (1) in subsection (a)—

13                         (A) by inserting “(other than payments to  
14                         holders of allowed claims provided for under  
15                         section 1322(b)(11)” after “paid” the 1st place  
16                         it appears, and

17                         (B) in paragraph (1) by inserting “or  
18                         1322(b)(11)” after “1322(b)(5)”, and

19                 (2) in subsection (c)(1) by inserting “or  
20                 1322(b)(11)” after “1322(b)(5)”.

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