

division”, meaning div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, known as the Emergency Economic Stabilization Act of 2008, to reflect the probable intent of Congress. For complete classification of division A to the Code, see Short Title note set out under section 5201 of this title and Tables.

Section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, referred to in subsec. (b), is section 1204(c) of Pub. L. 101-73, which is set out as a note under section 1811 of this title.

Section 1441a(r)(4) of this title, referred to in subsec. (b), was repealed by Pub. L. 111-203, title III, §364(b), July 21, 2010, 124 Stat. 1555.

#### AMENDMENTS

2009—Subsec. (b). Pub. L. 111-5 inserted “and individuals with disabilities and businesses owned by individuals with disabilities (for purposes of this subsection the term ‘individual with disability’ has the same meaning as the term ‘handicapped individual’ as that term is defined in section 632(f) of title 15),” after “section 1441a(r)(4) of this title”).

### § 5218. Conflicts of interest

#### (a) Standards required

The Secretary shall issue regulations or guidelines necessary to address and manage or to prohibit conflicts of interest that may arise in connection with the administration and execution of the authorities provided under this chapter, including—

- (1) conflicts arising in the selection or hiring of contractors or advisors, including asset managers;
- (2) the purchase of troubled assets;
- (3) the management of the troubled assets held;
- (4) post-employment restrictions on employees; and
- (5) any other potential conflict of interest, as the Secretary deems necessary or appropriate in the public interest.

#### (b) Timing

Regulations or guidelines required by this section shall be issued as soon as practicable after October 3, 2008.

(Pub. L. 110-343, div. A, title I, §108, Oct. 3, 2008, 122 Stat. 3774.)

#### REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act” and was translated as reading “this division”, meaning div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, known as the Emergency Economic Stabilization Act of 2008, to reflect the probable intent of Congress. For complete classification of division A to the Code, see Short Title note set out under section 5201 of this title and Tables.

### § 5219. Foreclosure mitigation efforts

#### (a) Residential mortgage loan servicing standards

##### (1) In general

To the extent that the Secretary acquires mortgages, mortgage backed<sup>1</sup> securities, and other assets secured by residential real estate, including multifamily housing, the Secretary shall implement a plan that seeks to maximize assistance for homeowners and use the author-

ity of the Secretary to encourage the servicers of the underlying mortgages, considering net present value to the taxpayer, to take advantage of the HOPE for Homeowners Program under section 1715z-23 of this title or other available programs to minimize foreclosures. In addition, the Secretary may use loan guarantees and credit enhancements to facilitate loan modifications to prevent avoidable foreclosures.

#### (2) Waiver of certain provisions in connection with loan modifications

The Secretary shall not be required to apply executive compensation restrictions under section 5221 of this title, or to receive warrants or debt instruments under section 5223 of this title, solely in connection with any loan modification under this section.

#### (b) Coordination

The Secretary shall coordinate with the Corporation, the Board (with respect to any mortgage or mortgage-backed securities or pool of securities held, owned, or controlled by or on behalf of a Federal reserve bank, as provided in section 5220(a)(1)(C) of this title), the Federal Housing Finance Agency, the Secretary of Housing and Urban Development, and other Federal Government entities that hold troubled assets to attempt to identify opportunities for the acquisition of classes of troubled assets that will improve the ability of the Secretary to improve the loan modification and restructuring process and, where permissible, to permit bona fide tenants who are current on their rent to remain in their homes under the terms of the lease. In the case of a mortgage on a residential rental property, the plan required under this section shall include protecting Federal, State, and local rental subsidies and protections, and ensuring any modification takes into account the need for operating funds to maintain decent and safe conditions at the property.

#### (c) Consent to reasonable loan modification requests

Upon any request arising under existing investment contracts, the Secretary shall consent, where appropriate, and considering net present value to the taxpayer, to reasonable requests for loss mitigation measures, including term extensions, rate reductions, principal write downs, increases in the proportion of loans within a trust or other structure allowed to be modified, or removal of other limitation on modifications.

(Pub. L. 110-343, div. A, title I, §109, Oct. 3, 2008, 122 Stat. 3774; Pub. L. 111-5, div. B, title VII, §7002, Feb. 17, 2009, 123 Stat. 521.)

#### AMENDMENTS

2009—Subsec. (a). Pub. L. 111-5 designated existing provisions as par. (1), inserted par. (1) heading, and added par. (2).

### § 5219a. Home Affordable Modification Program guidelines

#### (a) Net present value input data

The Secretary of the Treasury (in this section referred to as the “Secretary”) shall revise the supplemental directives and other guidelines for

<sup>1</sup> So in original. Probably should be “mortgage-backed”.

the Home Affordable Modification Program of the Making Home Affordable initiative of the Secretary of the Treasury, authorized under the Emergency Economic Stabilization Act of 2008 (Public Law 110-343) [12 U.S.C. 5201 et seq.], to require each mortgage servicer participating in such program to provide each borrower under a mortgage whose request for a mortgage modification under the Program is denied with all borrower-related and mortgage-related input data used in any net present value (NPV) analyses performed in connection with the subject mortgage. Such input data shall be provided to the borrower at the time of such denial.

**(b) Web-based site for NPV calculator and application**

**(1) NPV calculator**

In carrying out the Home Affordable Modification Program, the Secretary shall establish and maintain a site on the World Wide Web that provides a calculator for net present value analyses of a mortgage, based on the Secretary's methodology for calculating such value, that mortgagors can use to enter information regarding their own mortgages and that provides a determination after entering such information regarding a mortgage of whether such mortgage would be accepted or rejected for modification under the Program, using such methodology.

**(2) Disclosure**

Such Web site shall also prominently disclose that each mortgage servicer participating in such Program may use a method for calculating net present value of a mortgage that is different than the method used by such calculator.

**(3) Application**

The Secretary shall make a reasonable effort to include on such World Wide Web site a method for homeowners to apply for a mortgage modification under the Home Affordable Modification Program.

**(c) Public availability of NPV methodology, computer model, and variables**

The Secretary shall make publicly available, including by posting on a World Wide Web site of the Secretary—

(1) the Secretary's methodology and computer model, including all formulae used in such computer model, used for calculating net present value of a mortgage that is used by the calculator established pursuant to subsection (b); and

(2) all non-proprietary variables used in such net present value analysis.

(Pub. L. 111-203, title XIV, §1482, July 21, 2010, 124 Stat. 2203.)

REFERENCES IN TEXT

The Emergency Economic Stabilization Act of 2008, referred to in subsec. (a), is div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5201 of this title and Tables.

CODIFICATION

Section was enacted as part of the Mortgage Reform and Anti-Predatory Lending Act, and also as part of

the Dodd-Frank Wall Street Reform and Consumer Protection Act, and not as part of the Emergency Economic Stabilization Act of 2008 which comprises this chapter.

EFFECTIVE DATE

Section effective on the date on which final regulations implementing such section take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date, see section 1400(c) of Pub. L. 111-203, set out as an Effective Date of 2010 Amendment note under section 1601 of Title 15, Commerce and Trade.

**§ 5219b. Public availability of information of Making Home Affordable Program**

**(a) Revisions to Program guidelines**

The Secretary of the Treasury (in this section referred to as the "Secretary") shall revise the guidelines for the Home Affordable Modification Program of the Making Home Affordable initiative of the Secretary of the Treasury, authorized under the Emergency Economic Stabilization Act of 2008 (Public Law 110-343) [12 U.S.C. 5201 et seq.], to provide that the data being collected by the Secretary from each mortgage servicer and lender participating in the Program is made public in accordance with subsection (b).

**(b) Public availability**

Data shall be made available according to the following guidelines:

(1) Not more than 14 days after each monthly deadline for submission of data by mortgage servicers and lenders participating in the Program, reports shall be made publicly available by means of a World Wide Web site of the Secretary, and by submitting a report to the Congress, that shall include the following information:

(A) The number of requests for mortgage modifications under the Program that the servicer or lender has received.

(B) The number of requests for mortgage modifications under the Program that the servicer or lender has processed.

(C) The number of requests for mortgage modifications under the Program that the servicer or lender has approved.

(D) The number of requests for mortgage modifications under the Program that the servicer or lender has denied.

(2) Not more than 60 days after each monthly deadline for submission of data by mortgage servicers and lenders participating in the Program, the Secretary shall make data tables available to the public at the individual record level. The Secretary shall issue regulations prescribing—

(A) the procedures for disclosing such data to the public; and

(B) such deletions as the Secretary may determine to be appropriate to protect any privacy interest of any mortgage modification applicant, including the deletion or alteration of the applicant's name and identification number.

(Pub. L. 111-203, title XIV, §1483, July 21, 2010, 124 Stat. 2203.)

REFERENCES IN TEXT

The Emergency Economic Stabilization Act of 2008, referred to in subsec. (a), is div. A of Pub. L. 110-343,