AMENDMENT TO H.R. 1728, AS REPORTED
OFFERED BY MR. CUMMINGS OF MARYLAND

In section 206, insert at the end the following new subsection:

1 (c) PROTECTION AGAINST LOSS OF ANTI-DEFI-
2 CIENCY PROTECTION.—Section 129C of the Truth in
3 Lending Act is amended by inserting after subsection (k)
4 (as added by subsection (a) of this section) the following
5 new subsection:
6 "(l) PROTECTION AGAINST LOSS OF ANTI-DEFI-
7 CIENCY PROTECTION.—
8 "(1) DEFINITION.—For purposes of this sub-
9 section, the term 'anti-deficiency law' means the law
10 of any State which provides that, in the event of
11 foreclosure on the residential property of a consumer
12 securing a mortgage, the consumer is not liable, in
13 accordance with the terms and limitations of such
14 State law, for any deficiency between the sale price
15 obtained on such property through foreclosure and
16 the outstanding balance of the mortgage.
17 "(2) NOTICE AT TIME OF CONSUMMATION.—In
18 the case of any residential mortgage loan that is, or
19 upon consummation will be, subject to protection

1 under an anti-deficiency law, the creditor or mort-
2 gage originator shall provide a written notice to the
3 consumer describing the protection provided by the
4 anti-deficiency law and the significance for the con-
5 sumer of the loss of such protection before such loan
6 is consummated.

7 "(3) NOTICE BEFORE REFINANCING THAT
8 WOULD CAUSE LOSS OF PROTECTION.—In the case
9 of any residential mortgage loan that is subject to
10 protection under an anti-deficiency law, if a creditor
11 or mortgage originator provides an application to a
12 consumer, or receives an application from a con-
13 sumer, for any type of refinancing for such loan that
14 would cause the loan to lose the protection of such
15 anti-deficiency law, the creditor or mortgage origi-
16 nator shall provide a written notice to the consumer
17 describing the protection provided by the anti-defi-
18 ciency law and the significance for the consumer of
19 the loss of such protection before any agreement for
20 any such refinancing is consummated.".