

1                                   A bill to be entitled  
 2           An act relating to residential foreclosure proceedings;  
 3           amending s. 501.1377, F.S.; excluding from the definition  
 4           of the term "foreclosure-rescue consultant" a person or  
 5           entity employed or engaged, directly or indirectly, by the  
 6           holder of an obligation or lien on any residential real  
 7           property in foreclosure, an attorney in the course of the  
 8           practice of law, and title insurers and title agents and  
 9           agencies that are licensed or admitted under the Florida  
 10          Insurance Code and providing limited services; providing  
 11          an effective date.

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 13   Be It Enacted by the Legislature of the State of Florida:

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 15           Section 1. Paragraph (b) of subsection (2) of section  
 16   501.1377, Florida Statutes, is amended to read:

17           501.1377 Violations involving homeowners during the course  
 18   of residential foreclosure proceedings.--

19           (2) DEFINITIONS.--As used in this section, the term:

20           (b) "Foreclosure-rescue consultant" means a person who  
 21   directly or indirectly makes a solicitation, representation, or  
 22   offer to a homeowner to provide or perform, in return for  
 23   payment of money or other valuable consideration, foreclosure-  
 24   related rescue services. The term does not apply to:

- 25           1. A person excluded under s. 501.212.
- 26           2. A person acting under the express authority or written
- 27   approval of the United States Department of Housing and Urban
- 28   Development or other department or agency of the United States

HB 1181

2009

29 | or this state to provide foreclosure-related rescue services.

30 |       3. A charitable, not-for-profit agency or organization, as  
31 | determined by the United States Internal Revenue Service under  
32 | s. 501(c)(3) of the Internal Revenue Code, which offers  
33 | counseling or advice to an owner of residential real property in  
34 | foreclosure or loan default if the agency or organization does  
35 | not contract for foreclosure-related rescue services with a for-  
36 | profit lender or person facilitating or engaging in foreclosure-  
37 | rescue transactions.

38 |       4. A person who holds or is owed an obligation secured by  
39 | a lien on any residential real property in foreclosure if the  
40 | person performs foreclosure-related rescue services in  
41 | connection with this obligation or lien and the obligation or  
42 | lien was not the result of or part of a proposed foreclosure  
43 | reconveyance or foreclosure-rescue transaction, or a person or  
44 | entity employed or engaged, directly or indirectly, by the  
45 | holder of such an obligation or lien.

46 |       5. A financial institution as defined in s. 655.005 and  
47 | any parent or subsidiary of the financial institution or of the  
48 | parent or subsidiary.

49 |       6. A licensed mortgage broker, mortgage lender, or  
50 | correspondent mortgage lender that provides mortgage counseling  
51 | or advice regarding residential real property in foreclosure,  
52 | which counseling or advice is within the scope of services set  
53 | forth in chapter 494 and is provided without payment of money or  
54 | other consideration other than a mortgage brokerage fee as  
55 | defined in s. 494.001.

56 |       7. An attorney licensed to practice law in this state who

HB 1181

2009

57 is acting on behalf of a client, individually or through the  
58 attorney's law firm, in the course of the practice of law.

59 8. Title insurers and licensed title agents and agencies  
60 that are licensed or admitted under the Florida Insurance Code,  
61 to the extent that they are providing title searches or other  
62 information, title insurance, or closing services related to a  
63 foreclosure-rescue transaction or in furtherance of foreclosure-  
64 related rescue services.

65 Section 2. This act shall take effect upon becoming a law.