

March 18, 2020

BROWN INTRODUCES LEGISLATION TO PROTECT WORKING FAMILIES FROM FORECLOSURE, LATE PAYMENTS DURING THE COVID-19 PANDEMIC

WASHINGTON, D.C. — U.S. Sen. Sherrod Brown (D-OH) – ranking member of the U.S. Senate Committee on Banking, Housing, and Urban Affairs -- **introduced new legislation** that would protect hard-working American families who are facing financial hardship due to the economic consequences of coronavirus from falling behind on their loan or facing foreclosure.

“During this pandemic individuals and hard working families should not be worried about keeping a roof over their head, they should be adhering to federal guidance and keeping themselves and their loved ones safe,” said Senator Brown. **“It is time for the federal government to do more to protect American families who may face financial hardship or foreclosure as a result of COVID-19 pandemic- this bill will do just that.”**

Specifically the bill would:

- **Halt foreclosures**, including the beginning of a foreclosure or a foreclosure sale, for six months.
- **Offer borrowers at least six months, and possibly more, forbearance** on their loan payments. Forbearance allows a borrower to suspend payments for a period of time due to a decline in income or other hardship. Six months or more of forbearance can help borrowers focus the funds they have on health care, food, and other necessities until their income goes back to normal.
- **Allow borrowers to get back on track** after forbearance by extending their loan by the length of the forbearance, with no fees, penalties, or accrued interest. Borrowers won't have to pay more or face a penalty because they had a temporary financial setback as a result of this emergency.
- **Help borrowers who have a permanent decline in income stay in their home** by requiring servicers to evaluate homeowners for a loan modification at no cost and with no penalties for the borrower. Borrowers facing a permanent decline in income as a result of this emergency should not lose their home or have to pay to get a loan that meets their needs.

The bill would ensure that this relief would also be available to any mortgage borrower during a natural disaster or emergency in the future.

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