

Press Release

May 29, 2007

Discussion topics for June 14 public hearing under the Home Ownership and Equity Protection Act (HOEPA)

For immediate release

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The Federal Reserve Board on Tuesday announced the discussion topics for its June 14 public hearing under the Home Ownership and Equity Protection Act (HOEPA). The purpose of the hearing is to gather information about how the Board might use its rulemaking authority to curb abusive lending practices in the home mortgage market, including the subprime sector, in a way that preserves incentives for responsible lenders to provide credit to borrowers.

Hearing participants will discuss whether the Board should use its rulemaking authority to address concerns about certain terms and practices related to home mortgage loans, including:

- Prepayment penalties
- Escrow accounts for taxes and insurance on subprime loans
- "Stated income" or "low doc" loans
- Consideration of a borrower's ability to repay a loan

Participants will also discuss the effectiveness of state laws that have prohibited or restricted these and other terms or practices, and whether the Board should consider adopting similar regulations to curb abusive lending practices. The Board is also soliciting written comments from the public. Comments are due August 15, 2007.

The hearing is scheduled for Thursday, June 14, 2007, at the Federal Reserve Board at 20th and C Streets, N.W., Washington, D.C. Additional information about the hearing can be found at www.federalreserve.gov. Those planning to attend the hearing should, for security purposes, register no later than June 12. An online registration form can be found at: <https://www.federalreserve.gov/secure/forms/hoeparegistration.cfm>.

A notice of the hearing and request for public comment is attached.

 [Attachment](#)

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