

September 16 2014

The Honorable Richard Cordray
Director
Bureau of Consumer Financial Protection
1700 G Street, NW
Washington, DC 20552

Dear Director Cordray,

The undersigned Associations appreciate the Bureau of Consumer Financial Protection's (CFPB or the Bureau) outreach and commitment to working with us to ensure an effective implementation of the new TILA/RESPA integrated mortgage disclosures rule. As we learned during the implementation of the Title XIV rules, it is crucial for the industry and the Bureau to work together to effectively implement these regulations. In that vein, we respectfully submit the following recommendations to ensure a timely and efficient implementation and help to prevent undue confusion and costs.

Many of our members are now focusing their programming and system resources on implementation of the integrated disclosures. As we move forward, we anticipate a steady stream of questions and issues will arise requiring guidance from the Bureau. With the August 1 effective date coming during the height of the home-buying season, getting these issues addressed quickly and reliably will be necessary for the effective implementation of this important new consumer safeguard.

- **Provide written authoritative guidance** – We appreciate the Bureau offering oral guidance through webinars, and other channels. However, due to the complexity of the rule, we strongly recommend that the Bureau also provide reliable, written guidance on issues. Reliable, written guidance is essential for lenders, settlement service providers, insurers, investors and other secondary market entities, regulators, and ultimately, consumers themselves.

While the current CFPB webinars are useful in answering questions, it would be even more useful if the answers given were also provided in writing by the Bureau. While notice and comment rulemaking is a preferred approach, we think sufficient stakeholder input can be provided even in a nimble guidance process. For example, prior to or following such transcription, stakeholders could be afforded an opportunity for comment on the answers with final answers issued thereafter.

In sum, uniform written guidance developed with stakeholders' input that can be relied upon will further fair competition and minimize the possibility of undue liability increasing costs. Most importantly, it will ensure that consumers will not be harmed by unnecessary confusion. The Bureau should memorialize its answers to questions on its public website along with other written guidance.

- **Continue to actively participate in conferences and forums** – We encourage the Bureau to deepen its engagement in industry forums as much as possible. Such events enable individual companies to engage with CFPB experts and receive clear guidance. Small businesses especially benefit from these events because of their need to work closely with business partners large and small to comply with this and other regulations.
- **Provide additional exemplar forms** – The Bureau has offered examples of a limited number of completed forms for a range of transactions. These examples have proven useful, but they need to be provided for more circumstances and for additional localities. Real estate transactions are complex and vary state-by-state (and sometimes within states) in addition to varying loan product to loan product.

- **Maintain contact with industry vendors** – The Bureau should continue to assist industry vendors to help them timely develop tools to comply with the integrated disclosure rule. Lenders and other settlement service providers, including community banks and smaller independent mortgage bankers, settlement agents and other third parties, rely heavily on vendors to build and maintain the systems necessary to comply with this important rule. Integration among systems used by sister industries may prove essential and should be fostered.
- **Resolve conflicting regulations** – Countless state laws and practices threaten to add additional complexity to the implementation of the integrated disclosures rules. Varying disclosures of similar information in different formats will only frustrate consumer understanding. To reduce that consumer frustration we ask that the Bureau begin to review both duplicative and contradictory state laws with an eye to exercising any necessary authority to ensure that the objectives of this important effort are achieved. Removal of duplicative or conflicting state disclosures will improve consumer decision-making and support the CFPB’s “whack the stack” initiative. Now is also a good time to work with other federal regulators to develop consistent examination procedures for this rule.

We appreciate your consideration of these comments and would welcome a group meeting with you at your earliest convenience to discuss them further. To arrange a meeting or otherwise discuss these comments further, please contact any or all of our organizations.

We look forward to working closely with the Bureau to achieve a successful implementation of this important rule.

Sincerely,

American Bankers Association
American Escrow Association
American Financial Services Association
American Land Title Association
Community Home Lenders Association
Community Mortgage Lenders of America
Consumer Mortgage Coalition
Credit Union National Association
Housing Policy Council of the Financial Services Roundtable
Independent Community Bankers of America
Mortgage Bankers Association
National Association of Federal Credit Unions
National Association of Mortgage Brokers
National Association of Realtors
National Association of Federal Credit Unions
Real Estate Valuation Advocacy Association