



R. SCOTT HEITKAMP
Chairman

TIMOTHY K. ZIMMERMAN
Chairman-Elect

PRESTON L. KENNEDY
Vice Chairman

DEREK B. WILLIAMS
Treasurer

CHRISTOPHER JORDAN
Secretary

REBECA ROMERO RAINEY
Immediate Past Chairman

CAMDEN R. FINE
President and CEO

December 19, 2017

The Honorable Tom Emmer
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Randy Hultgren
U.S. House of Representatives
Washington, D.C. 20515

Dear Representatives Emmer and Hultgren:

On behalf of the more than 5,700 community banks represented by ICBA, I write to express our strong support for the Home Mortgage Reporting Relief Act (H.R. 4648), which would give community banks enforcement relief from the new, complex, and burdensome data requirements under the Home Mortgage Disclosure Act (HMDA). Expeditious consideration of H.R. 4648 is needed before the new HMDA rule becomes effective in less than two weeks. Failure to delay implementation risks widespread confusion, unintentional error, and potential disruption of new mortgage credit.

The Consumer Financial Protection Bureau's (CFPB's) HMDA rule increases the number of required data fields from 23 to 48. Collection of the new data points begins on January 1, 2018, and reporting of that data begins in 2019. The compliance challenge before community banks today is much like the implementation of the new TRID rule, which the CFPB wisely delayed as the original implementation date approached and lenders' unpreparedness became obvious. H.R. 4648 provides that compliance with the new HMDA data collection requirement prior to January 1, 2019, or the reporting requirement prior to January 1, 2020, may not serve as the basis of a supervisory or enforcement action against any depository institution. The bill further provides that no suit may be filed against any depository institution for any violation before such dates. Treasury's June 2017 report recommends delaying implementation of the new HMDA rule. H.R. 4648 would also restrict the CFPB's ability to make any of the new data publicly available. The publication of sensitive borrower-specific financial information that could be used to identify loan applicants and compromise their privacy.

We believe the ultimate solution is a HMDA exemption for relatively low volume mortgage lenders, as provided in your earlier bill, H.R. 2954. Community banks report only a fraction of the nearly 10 million annual mortgage applications reported through HMDA last year. We believe H.R. 2954 would provide needed relief without significantly impacting the mortgage data available to the CFPB or impairing the purpose of the HMDA statute.

Thank you again for sponsoring H.R. 4648. We urge expeditious consideration of this critical legislation before the new HMDA rule becomes effective on January 1.

Sincerely,

/s/

Camden R. Fine
President & CEO

CC: Members of the House Financial Services Committee