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July 1, 2015

Ms. Monica Jackson
Office of the Executive Secretary
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Re: Docket No. CFPB-2015-0029, RIN 3170-AA48 2013, Integrated Mortgage Disclosures Rule Under the Real Estate Settlement Procedures Act (Regulation X) and the Truth in Lending Act (Regulation Z) and Amendments; Delay of Effective Date

Dear Ms. Jackson,

The Independent Community Bankers of America¹ appreciates the opportunity to provide comments on the proposed amendments (Proposal) by the Consumer Financial Protection Bureau (CFPB or Bureau) to delay the effective date of the Truth in Lending Act (TILA) and Real Estate Settlement Procedures Act (RESPA) Integrated Disclosure Rule, commonly known as the TRID rule. Under the Bureau's Proposal, the effective date of the TRID rule would move from August 1, 2015 to October 3, 2015.

ICBA supports delaying the effective date for the TRID rule to October 3, 2015, and agrees that this extension will benefit both the industry and consumers by providing for a smoother transition to the new forms and other requirements. As the CFPB states in its Proposal, the TRID rule has created "unique implementation challenges for industry, requiring major operational changes and close coordination among many different parties." Since the TRID final rule was issued in November 2013, community banks have been working diligently to implement this important regulation.

¹ The Independent Community Bankers of America®, the nation's voice for 6,400 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services.

ICBA members operate 24,000 locations nationwide, employ 300,000 Americans and hold \$1.4 trillion in assets, \$1.1 trillion in deposits, and \$900 billion in loans to consumers, small businesses and the agricultural community. For more information, visit ICBA's website at www.icba.org.

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However, community banks and many others who provide settlement services rely heavily on vendors to build and maintain the systems necessary for compliance with this rule. An ICBA survey conducted the week of June 8, 2015, indicated that nearly half – 46 percent – of the community banks responding had not yet received final updates to implement the TRID rule from their technology vendors. With just a few weeks to go before the original August 1 implementation date, this would leave community banks very little time to install and test new systems as well as train staff.

Considering the complexity of the TRID rule, ICBA urges the Bureau to provide a clearly-defined safe harbor from enforcement and liability from October 3, 2015 through January 31, 2016 for those lenders that make good faith efforts to comply with the rule. A limited duration safe harbor would help minimize market disruptions and delays for consumers. During this period, the industry would be required to provide the new forms to consumers, and lenders who made a good faith effort to follow the requirements established by the TRID rule would not be subject to undue enforcement and liability.

The Dodd–Frank Wall Street Reform and Consumer Protection Act provides the CFPB the broad authority to establish a trial period and safe harbor for the TRID rule.² ICBA urges the CFPB to use this authority to ensure that the rule works for consumers in the days and weeks following the effective date. Importantly, other agencies have taken a similar approach. When the Department of Housing & Urban Development revised the RESPA disclosures in 2010, that agency announced it would exercise restraint in enforcement in the 120 days following the rules effective date against companies that demonstrated a good-faith effort to comply.³

² The Dodd Frank Wall Street Reform and Consumer Protection Act, Public Law 111-203, Section 1032(e).

TRIAL DISCLOSURE PROGRAMS.—

(1) **IN GENERAL.**—The Bureau may permit a covered person to conduct a trial program that is limited in time and scope, subject to specified standards and procedures, for the purpose of providing trial disclosures to consumers that are designed to improve upon any model form issued pursuant to subsection (b)(1), or any other model form issued to implement an enumerated statute, as applicable.

(2) **SAFE HARBOR.**—The standards and procedures issued by the Bureau shall be designed to encourage covered persons to conduct trial disclosure programs. For the purposes of administering this subsection, the Bureau may establish a limited period during which a covered person conducting a trial disclosure program shall be deemed to be in compliance with, or may be exempted from, a requirement of a rule or an enumerated consumer law.

³ U.S. Dept. of Housing and Urban Development, HUD No. 09-215, *HUD Announces Restraint in RESPA Enforcement for First Four Months of New Rule*, November 13, 2009, http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2009/HUDNo.09-215.

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ICBA continues to appreciate the CFPB's thoughtful outreach to community banks throughout the implementation process and we look forward to continuing to work with the Bureau on this important rule. If you have any questions regarding this letter, please contact me at joseph.gormley@icba.org or 202.659.8111 with any questions regarding our comments.

Sincerely,

/s/

Joseph M. Gormley
Assistant Vice President and Regulatory Counsel

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