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October 10, 2017

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

RE: Amendments to Federal Mortgage Disclosure Requirements under Truth in Lending Act (Regulation Z); Docket No. CFPB-2017-0018, RIN# 3170-AA61

Dear Ms. Jackson,

The Independent Community Bankers of America (ICBA)¹ appreciates the opportunity to comment on the proposed Amendments to Federal Mortgage Disclosure Requirements under the Truth in Lending Act, also known as Regulation Z. The Consumer Financial Protection Bureau issued the final Integrated Mortgage Disclosures rule under the Real Estate Settlement Procedures Act (Regulation X) and the Truth in Lending Act (Regulation Z) in November of 2013. The TILA-RESPA final rule became effective in January 2015.

As directed by sections 1098 and 1100A of the Dodd-Frank Act, the TILA-RESPA rule combined the separate mortgage disclosures previously required under TILA and RESPA into a single disclosure, the Loan Estimate (LE), to provide greater clarity to consumers

¹*The Independent Community Bankers of America®, the nation's voice for more than 5,700 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. With 52,000 locations nationwide, community banks employ 765,000 Americans, hold \$4.9 trillion in assets, \$3.9 trillion in deposits, and \$3.3 trillion 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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regarding the financial terms of their mortgage loan transaction. Additionally, the Bureau created a new Closing Disclosure (CD) which replaced the HUD-1/HUD-1A settlement statement that had been used for most consumer mortgage transactions.

The implementation of the TILA RESPA Integrated Disclosures (TRID) rule has proven to be extensive, complicated and costly for both creditors and borrowers. Lack of clarity regarding the disclosure of certain loan/transaction products or data points, combined with little or no tolerance for changes in certain fees, resulted in longer processing times, increased costs for creditors and delayed or failed closings for consumers as all industry stakeholders struggled to implement the TRID rule.

To address the many questions arising from industry stakeholders, including ICBA, the Bureau proposed amendments to TRID in July 2016 that provided clarifications and technical amendments to the 2013 TRID rule. ICBA, along with other stakeholders provided comments on the proposed amendments, and the final rule was issued on July 7, 2017.

The Bureau also issued a proposed rule on July 7, 2017 to address an issue that had been raised by industry stakeholders, but which had not been resolved in the July 7 final rule and other comments and clarifications from the Bureau.

Specifically, industry stakeholders were still unclear regarding a creditor's use of a revised CD to compare charges imposed on the consumer to the amounts disclosed on the initial CD instead of a Loan Estimate (LE) to determine if the estimated closing cost was disclosed in good faith. In particular, confusion regarding a creditor's ability to issue a revised CD outside of the "4-business day" window, had not been clarified in previous TRID amendments or Bureau statements.

The July 7, 2017 proposed Amendments address this matter in a satisfactory manner. The Bureau through this Amendment is removing the 4-business day requirement and permitting a creditor to issue a revised CD "to reflect changes in costs for purposes of determining if an estimated closing cost was disclosed in good faith, regardless of when the CD is provided relative to consummation."

ICBA strongly supports this change. ICBA further recommends that the Bureau give serious consideration to other TRID issues raised by community bankers, including providing the consumer the ability to waive the 3-business day period between receipt of the final CD and consummation. Consumers continue to request the ability to waive this waiting period which leads to increased costs for rate locks, moving and storage costs, and in general additional frustration with the mortgage lending process. For consumers who have purchased a home before and are experienced with the mortgage lending process the 3-business day wait is even more frustrating. Consumers should have the right to waive this delay, and we urge the Bureau to address this issue.

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ICBA appreciates the opportunity to work with Bureau staff on this amendment and other issues regarding TRID. If you have any questions regarding this letter, please contact the undersigned at ron.haynie@icba.org

Sincerely,

Ron Haynie
Senior Vice President, Mortgage Finance Policy

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