Heartland
Credit Union Association

October 18, 2016

Office of the Executive Secretary
Consumer Financial Protection Bureau
1275 First Street, NE
Washington, DC 20002

Re: Amendments to the Federal Mortgage Disclosure Requirements under the Truth in Lending Act (Regulation Z)

Docket No.: CFPB-2016-0038 or RIN 3170-AA61

Dear Ms. Jackson:

On behalf of the 2.3 million credit union members we represent, the Heartland Credit Union Association (HCUA) appreciates the opportunity to comment on the Consumer Financial Protection Bureau's (CFPB) Amendments to the Federal Mortgage Disclosure Requirements under the Truth in Lending (Regulation Z) (TRID Amendments).

HCUA acknowledges that this rulemaking does not reopen major policy decisions with the TRID final rule, but instead is solely for the purposes of addressing specific implementation challenges. We appreciate that as a result of the significant implementation challenges that have arisen since the effective date of the TRID final rule, the CFPB is willing to address known issues with the new provisions.

Turning specifically to the rule, we believe the CFPB should address errors and cures made in Loan Estimates or Closing Disclosures. This area was omitted from the rulemaking. The CFPB states the rationale was that further defining cure provisions would be extraordinarily complex and would undermine incentives for compliance with the rule.

We agree the rule is complex, which illuminates the industry's ongoing difficulty with compliance. The Dodd-Frank Wall Street Reform and Consumer Protection Act initially only directed merging the RESPA and TILA disclosures, which should have resulted in a simplification of the process and number of forms, and more useful information for the consumer. Therefore, the solution for the additional complexity is simple - make the rule less complex. To the extent the CFPB can provide clarity as to what is acceptable or provide clear guidance as to what and how items can be cured, it would go a long way to smoothing out transfers to the secondary market. This can only benefit consumers in the long run, as more mortgage options will be available and likely less costly. We urge the CFPB to revisit the treatment of errors and cures in the final rule.

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The CFPB has proposed an effective date of 120 days after publication in the Federal Register but seeks comment on whether there is any better or worse time for the effective date. Clearly, the end of the year would likely be the worst time as in some states, closings tend to be at maximum volume due to the expiration of the ability to claim homestead exemptions and other reasons. August would preferably be the best time.

As always, we appreciate the opportunity to review this issue. We will be happy to respond to any questions regarding these comments.

Sincerely,

Bradley D. Douglas

Brad Douglas
President/CEO