



October 5, 2015

To: Members of the United States House of Representatives

From: James Ballentine, Executive Vice President, Congressional Relations & Political Affairs

Re: Support H.R. 3192 – Scheduled for House Floor Consideration on Wednesday, October 7

On behalf of the members of the American Bankers Association, I am writing to express our strong support for H.R. 3192, the Homebuyers Assistance Act. This legislation will provide an official hold-harmless period until February 1, 2016, for those making a good faith effort to comply with the Consumer Financial Protection Bureau's (CFPB) new TILA-RESPA Integrated Disclosure (TRID) rule, which became effective on October 3, 2015. We appreciate Representatives French Hill (R-AR) and Brad Sherman (D-CA) for introducing this bipartisan legislation and note that H.R. 3192 passed the House Financial Services Committee on a strong bipartisan vote of 45 to 13.

The changes mandated by TRID are among the most sweeping and significant faced by the mortgage lending industry in a generation. They will impact every party involved in the origination and settlement of home loans. Banks have worked hard to ensure that they are compliant with the new rules, but it is certain that there will be technical and other difficulties in the early stages of compliance. H.R. 3192 will provide a safe harbor against punitive enforcement for those making a good faith effort to comply. Doing so will ensure that lenders and others involved in making and closing home loans do not pull back during the transition period, potentially creating difficulties for borrowers seeking a home loan.

While CFPB and the prudential regulators have indicated that they intend to enforce TRID compliance with an eye toward corrective rather than punitive action in the early months of transition, they are unable to provide similar treatment with regard to civil liability under the rules. H.R. 3192 provides a clear and consistent safe harbor for good faith efforts at compliance for both regulatory and civil actions. Borrowers in all parts of the nation will benefit from this legislation, ensuring that the transition to new rules proceeds without concerns over technical difficulties constraining credit or slowing the settlement process.

We thank the House for taking up this important measure and we urge members to support H.R. 3192.