

September 14, 2017

The Honorable Tom Emmer
U.S. House of Representatives
315 Cannon House Office Building
Washington, D.C. 20515

Dear Representative Emmer:

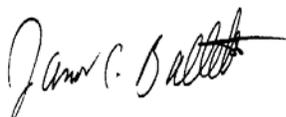
I am writing on behalf of the members of the American Bankers Association (ABA) to express our support for your legislation, H.R. 2954, the Home Mortgage Disclosure Adjustments Act. This legislation would provide community banks with relief from compliance burdens that are ill-suited and unnecessary for community banks.

Specifically, the bill exempts small banks and credit unions from new reporting requirements of the Home Mortgage Disclosure Act (HMDA) if they are lenders that have originated 1,000 or fewer closed-end mortgages in each of the two preceding calendar years or are lenders that have originated 2,000 or fewer open-end lines of credit (such as a typical home equity loan) in each of the two preceding calendar years. Additionally, the bill repeals the HMDA amendments included in the Dodd-Frank Act and withdraws the CFPB's rule to impose the new and modified HMDA data points scheduled to take effect in January of next year.

The pending HMDA changes were imposed after the financial crisis. Although well-intentioned, the new reporting requirements were overly broad in their coverage and have the potential to add significant cost and regulatory burden, as well as privacy concerns for customers, to small institutions which have an excellent track record of fairly and honestly serving their customers' needs.

So great is the cost of compliance with these new regulations that many smaller banks may be forced to reconsider their ability to continue to make mortgage and other covered loans. H.R. 2954 provides needed relief to keep more lending options available in the markets that these banks serve. The ABA applauds your efforts in introducing this legislation, and urges the House Financial Services Committee to act on the bill expeditiously.

Sincerely,



James C. Ballentine

cc: Members of the House Financial Services Committee