



January 21, 2022

Comment Intake—HMDA Assessment

Consumer Financial Protection Bureau

1700 G Street NW

Washington, DC 20052

Re: Request for Information Regarding the HMDA Rule Assessment (Docket No. CFPB-2021-0018)

Dear Sir or Madam:

On behalf of the Virginia Credit Union League, I am writing regarding the recent Request for Information related to the Consumer Financial Protection Bureau's review of the 2015 Home Mortgage Disclosure Act (HMDA) Final Rule (2015 HMDA Final Rule) and its related amendments.

The Home Mortgage Disclosure Act is a data reporting statute that was enacted in 1975, as Congress was concerned that some mortgage lending institutions contributed to declining development in certain areas by denying home mortgages to otherwise qualified applicants. It requires the detailed reporting of a plethora of data points relative to loans and requires matching loan originations to census tract data. The law was amended in 1989 to include additional data points to provide information to regulators to better enforce the Fair Housing Act, the Equal Credit Opportunity Act and the Community Reinvestment Act. The Dodd-Frank Act also amended HMDA, and transferred authority to enforce and implement the regulation to the Consumer Financial Protection Bureau. The Virginia League supports the transparency provided by HMDA, but the result of the often-amended statute and regulations is an extremely complex reporting system. We support the CFPB looking at this rule, as we believe a narrower set of data can achieve the statutory goals.

HMDA disclosure requirements allow regulators to obtain information from mortgage lenders who meet their reporting criteria. The regulators use the reported information on mortgage loans and lending trends to release important statistics. The HMDA statute itself recognizes that this reporting is burdensome and directs the CFPB to reduce compliance burden and cost to institutions relative to loan application register information. The statute also is replete with other examples of attempts to reduce burden, including exemption thresholds and the ability of the CFPB to create exemptions by regulation. To date, the implementation of this statute has fallen short of its intent to reduce burden.

The CFPB has issued charts, compliance guides, FAQs, supervisory guidance and other materials to assist with compliance. However, the small entity compliance guide alone is 132 pages long. Simply put, this is an extremely difficult regulation to implement as it is complex; changes to the regulation, even if designed to ultimately give institutions relief, are difficult to execute.

Credit unions, as not for profit member owned cooperatives are uniquely tied to their communities. They exist to provide provident credit and inherently provide support to the community in the form of lower rates and affordable loans. Credit unions support fair lending and oppose any changes to HMDA that would require additional reporting or additional burden. We would oppose reducing existing thresholds or adding more data points. In addition, we would ask the CFPB to assess whether the reporting of open-end lines of credit fulfills any statutory goals of HMDA.

We appreciate the opportunity to comment on this issue and look forward to working with the CFPB to assist in providing the best to our communities.

Respectfully,

A handwritten signature in black ink that reads "Carrie R. Hunt". The signature is written in a cursive, flowing style.

Carrie R. Hunt
President/CEO
Virginia Credit Union League