

Dear Representative:

We, the undersigned organizations, are asking you to join Chairs Maxine Waters and Nydia Velasquez in urging the CFPB to rescind proposals that could make fair lending oversight worse than it was before the financial crisis (see letter below). Before the financial crisis, virtually all of the nation's banks above a certain asset size had to report basic information about their mortgage lending, such as application date, action taken, loan amount and the property location. The CFPB is proposing to exempt more than half the nation's banks and potentially more of the country's independent mortgage companies and other nonbanks from having to report such basic information about their mortgage lending and represents a setback from the pre-crisis days.

The agency is also considering whether to limit what the largest lenders in the country have to report about their mortgage lending. In 2015, the CFPB finalized a rule that required lenders to report key variables, such as the reasons for a loan denial, debt-to-income ratio, interest rate and origination charges – all information in the underwriting file or required to be collected for federal insurance, guarantees or under other federal laws. Following the financial crisis, HMDA reporting requirements were enhanced in the Dodd-Frank Act to curb predatory lending and other abuses observed in the run up to the crisis.

Importantly, HMDA data is not just used for fair lending purposes. HMDA provides critical public loan data used to determine if financial institutions are serving the housing needs of their communities; to distribute public-sector investments so as to attract private investment to areas where it is needed; and, to identify possible discriminatory lending patterns. In thousands of small towns and rural communities in America, HMDA data is a key planning resource. The loss of HMDA data will also undermine local planning as private investors deploy new resources in over 8,700 Opportunity Zones around the country, and will complicate oversight under the Community Reinvestment Act. The agency's retirement of the HMDA Explorer website could also limit the way the public accesses HMDA data online.

Please join the Chairs in urging the CFPB to reverse such fundamental setbacks to fair lending in the country. To sign-on please contact Avy Mallik at Avy.Mallik@mail.house.gov or 5-4247.

Sincerely,

National Groups

National Community Reinvestment Coalition (NCRC)

Americans for Financial Reform

Consumer Action

Consumer Federation of America
Center for Responsible Lending
Leadership Conference on Civil and Human Rights
NAACP
National Association of Real Estate Brokers, (NAREB)
National Coalition for Asian Pacific American Community Development (National CAPACD)
National Consumer Law Center (on behalf of its low-income clients)
National Fair Housing Alliance
Prosperity Now

State Groups

Affordable Homeownership Foundation Inc
Asian Economic Development Association
Association for Neighborhood and Housing Development
CAARMA Consumer Advocates Against Reverse Mortgage Abuse
California Coalition for Rural Housing
California Reinvestment Coalition
CDC Small Business Finance
Chicago Community Loan Fund
City of Gary, IN
Community Enterprise Investments, Inc.
Continuum of Care Network NWI, Inc.
Disability Justice
Fair Finance Watch
Fair Housing Council of Northern NJ
Fair Housing Council of the San Fernando Valley
Fair Housing Rights Center in Southeastern Pennsylvania
Florida Housing Counselor Network
Forward Community Investments
Georgia Advancing Communities Together, Inc.
Greater Boston Legal Services - on behalf of its low-income clients
Grounded Solutions Network
HousingWorks RI
Long Island Housing Service
Maryland Consumer Rights Coalition
Milwaukee Christian Center
Movin' Out, Inc.
Pittsburgh Community Reinvestment Group
Plymouth Church UCC
Portland Housing Center
Reinvestment Partners
S J Adams Consulting
Solita's House

Struggle for Miami's Affordable and Sustainable Housing, Inc.
Village Financial Cooperative
Wisconsin Partnership for Housing Development
Working In Neighborhoods