



June 13, 2019

Office of Regulations
Bureau of Consumer Financial Protection
1700 G Street NW
Washington, D.C. 20552

Re: Comments on Notice of Proposed Rulemaking Home Mortgage Disclosure (Regulation C) Docket No. CFPB-2019-0021 RUN 2170-AA76

Dear Sir or Madam:

The Indiana Credit Union League (ICUL) appreciates the opportunity to submit the following comments on the Consumer Financial Protection Bureau's (CFPB) Notice of Proposed Rulemaking Home Mortgage Disclosure (Regulation C) Docket No. CFPB-2019-0021. The ICUL member credit unions represent 99% of assets and members of Indiana's credit unions, with those memberships totaling more than two million consumers.

We appreciate and support the CFPB's recent willingness to reconsider and revise its prior rulemakings to mitigate impact on credit unions and other community-based financial institutions. We recommend the CFPB continue to examine the HMDA rulemaking for additional areas that should be addressed. When the original HMDA rule revisions were made in 2015, we felt strongly that much of the additional data collected was unnecessary, and the thresholds established for what institutions would be required to report were far too low. The impact of the HMDA rule changes would result in additional expense to smaller mortgage lenders, with minimal benefit to the consumer.

The CFPB's proposed rule would increase the closed-end mortgage loan reporting threshold from its current level of 25 loans to 100 loans. While we would support a threshold increase to 100 loans at the minimum, we encourage the CFPB to consider a threshold of either 250 or 500 loans. The Credit Union National Association (CUNA) estimates that adopting a threshold of 500 loans would save America's credit unions over \$41 million in total compliance costs while still maintaining the integrity of the overall intent of HMDA data collection. In not-for-profit, cooperative credit unions, these savings are passed back to our members. Increasing the threshold to 500 loans would further advance the regulatory relief efforts of the CFPB.

In the proposed rule, the CFPB is proposing a reduction proposed reduction in the open-end lines of credit threshold from 500 to 200 lines after 2022. We strongly disagree with this proposed reduction. This lower threshold would result in credit unions expending resources and allocating additional staff time in order to meet the new reporting burden. Consumers would benefit more if these resources and staff time were dedicated to member service and offering low-cost products. We believe that the CFPB should make, at a minimum, the 500-loan threshold permanent. We further recommend the CFPB revise Regulation C to make reporting open-end lines of credit voluntary as was the case prior to 2015.

We support the overall intent of HMDA and the reporting requirements. However, we believe that the CFPB has significantly burdened credit unions and other community based financial institutions by developing an overly complex and costly regulation and applying it to a very broad set of mortgage lenders. We would urge the CFPB to consider the history of credit union service to their members and the consensus that credit unions were not part of the problem that resulted from questionable mortgage lending that led to the Great Recession. We urge the CFPB to focus its regulatory efforts on those entities that were responsible, and not attempt a one-size -fits-all regulatory approach that would result in fewer mortgage loan options for consumers.

Please feel free to contact me if you have any questions regarding this letter. I can be reached at (317) 594-5320.

Sincerely,

A handwritten signature in black ink that reads "John McKenzie". The signature is written in a cursive style with a large, stylized "J" and "M".

John McKenzie
President, Indiana Credit Union League

