



June 12, 2019

VIA ELECTRONIC DELIVERY

Comment Intake  
Bureau of Consumer Financial Protection  
1700 G Street, NW  
Washington, DC 20552

**Re:** Proposed Rule with Request for Public Comment, Home Mortgage Disclosure Act, Regulation C., Docket No. CFPB-2019-0021, RIN 3170-AA76

Ladies and Gentlemen:

The Wisconsin Bankers Association (WBA) is the largest financial trade association in Wisconsin, representing approximately 230 state and nationally chartered banks, savings and loan associations, and savings banks located in communities throughout the state. WBA appreciates the opportunity to comment on the Consumer Financial Protection Bureau's (CFPB) proposal to raise the coverage thresholds for collecting and reporting data about closed-end mortgage loans and open-end lines of credit under the Home Mortgage Disclosure Act (HMDA) rules. CFPB proposes to amend Regulation C to increase the threshold for reporting data about closed-end mortgage loans, to extend the temporary threshold for reporting data on open-end lines of credit and set a new threshold on the expiration of the proposed extension, in furtherance of implementing the amendments to HMDA made by the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA).

WBA supports changes aimed at reducing burdens for HMDA-covered institutions and appreciates the CFPB's willingness to re-evaluate reporting thresholds. By doing so, CFPB acknowledges the significant systems and operational challenges experienced by community banks to comply with this regulation. Community banks in Wisconsin report that current HMDA reporting thresholds for closed-end credit and open-end lines of credit have significantly increased regulatory burden, the result of which has caused some to reduce their mortgage offerings, or in other cases, necessitated hiring of additional staff.

CFPB is proposing two alternatives to the closed-end reporting threshold. Alternative 1 proposes to set the closed-end coverage threshold at 50, while Alternative 2 proposes to set the closed-end coverage threshold at 100. WBA suggests that a third alternative which would set the closed-end at threshold at 500. This third alternative is based upon information WBA has collected from its members, all respondents being community banks.

If CFPB is unwilling to consider an increase to 500 for the closed-end credit reporting threshold, then WBA at minimum supports CFPB's Alternative 2, which proposes an increase in the threshold for reporting data on closed-end mortgages from 25 to 100. WBA believes that neither the 500 nor the 100 threshold would be so high as to harm HMDA's ability to achieve its statutory purposes, while providing much needed regulatory relief to institutions that currently bear significant burdens to report data of limited value.

In addition, WBA urges CFPB to remove any requirement to report open-end transactions under HMDA, as this data lacks value in advancing relevant legislative objectives while imposing very high compliance costs. If

CFPB is unwilling to do so, then CFPB should, at minimum, immediately relieve burden from community banks by extending permanently the current threshold of 500 open-end lines of credit rather than the proposed threshold of 200.

WBA appreciates CFPB's acknowledgment that it lacked robust data for the estimates used to establish the open-end threshold when it finalized the 2015 HMDA Rule. Consideration of HMDA's objectives against the costs and benefits of the open-end reporting requirements inescapably weigh in favor of limiting—or ultimately eliminating—this data collection. Based upon information WBA collected from its members, eliminating reporting of these transactions would significantly reduce their regulatory burden. WBA, therefore recommends eliminating the requirement altogether, or in the alternative, making permanent the current data-reporting threshold of 500 open-end lines of credit in each of the two preceding calendar years.

Once again, WBA applauds CFPB's efforts to undertake re-evaluation of these thresholds, and very much appreciates the opportunity to comment on these important matters.

Sincerely,



Kristine Clevon  
Vice President-Legal