

**Contacts:** Alys Cohen, [acohen@nclc.org](mailto:acohen@nclc.org) or 202.595.7852;  
Jan Kruse, [jkruse@nclc.org](mailto:jkruse@nclc.org) or 617.542.8010

## **U.S. House Bill Would Suspend a Homeowner's Right to Enforce Accurate Mortgage Pricing** *Advocates Oppose Bill that Would Let Lenders Off the Hook*

(WASHINGTON) Homeowners' legal rights if they are given inaccurate pricing information before taking out a mortgage should not be suspended, according to letters sent today to [Congress](#) and the [Consumer Financial Protection Bureau](#) (CFPB) by the National Consumer Law Center, on behalf of its low income clients, and a coalition of consumer, civil rights, and community organizations. "The law requires homeowners to be told the accurate price of their mortgage," said Alys Cohen, staff attorney in the National Consumer Law Center's Washington office. "It would be unprecedented to deprive homeowners of remedies if they are given misleading mortgage disclosures before closing on a home."

The letter to Congress opposes [House bill H.R. 2213](#), which insulates lenders from accountability when they make misleading disclosures to homeowners, even where the consumer suffers substantial harm. The letter to the CFPB urges the agency to refrain from suspending homeowners' legal rights and from freezing its own supervisory and enforcement capacity while noting that in fact the agency does not have the authority to take these actions.

In 2010, Congress ordered the CFPB to develop clearer, simpler mortgage closing documents. Final rules were issued in November 2013, but the industry has argued that it needs more time and should not be held accountable for mistakes if prices are inaccurate. "The mortgage industry has had over 20 months to implement new, clearer mortgage pricing disclosures intended to help consumers 'know before they owe,'" said Cohen. "Suspending accountability for inaccurate pricing information will provide an opportunity for some to evade the rules and will inhibit incentives for the industry to implement the new required forms. A rule without enforcement is no rule at all."

The letters point out that if further time is needed for adjustment, the CFPB already has the authority to let creditors comply with existing rules and to extend the mandatory compliance date for the new rules, with an optional early compliance period. The CFPB also has the authority to take into account good-faith efforts to comply with regulations.

### **Related Links**

**H.R. 2213:** <https://www.congress.gov/bill/114th-congress/house-bill/2213>

**Coalition letter to U.S. Congress:** <http://www.nclc.org/images/pdf/rulemaking/congress-opposition-letter-hr2213.pdf>

**Coalition letter to the CFPB:** <http://www.nclc.org/images/pdf/rulemaking/letter-cfpb-trid-2015.pdf>

**NCLC policy brief Optional, Early Compliance is a Common Regulatory Tool: Early Adopters Can Choose Phase-In Date:** [http://www.nclc.org/images/pdf/foreclosure\\_mortgage/dodd-frank/ib-samples-optional-regulatory-compliance.pdf](http://www.nclc.org/images/pdf/foreclosure_mortgage/dodd-frank/ib-samples-optional-regulatory-compliance.pdf)

###

The nonprofit [National Consumer Law Center](#)<sup>®</sup> (NCLC<sup>®</sup>) works for economic justice for low-income and other disadvantaged people in the U.S. through policy analysis and advocacy, publications, litigation, and training.