

Beatty Highlights Need for Transparency and Clarity in Mortgage Loan Closing Process

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Press Release

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Opening remarks at Financial Services Housing & Insurance Subcommittee hearing outline TILA-RESPA integration

WASHINGTON, DC – In her opening remarks at today’s Financial Services Housing and Insurance Subcommittee hearing on the Truth In Lending Act and the Real Estate Settlement Procedures Act (TILA-RESPA), U.S. Congresswoman Joyce Beatty (OH-03) detailed the importance of ensuring a seamless transition to an updated closing process, as mandated under Dodd-Frank. Serving as the subcommittee’s Ranking Member for the day, Beatty spoke about the Consumer Financial Protection Bureau’s (CFPB) merging TILA-RESPA disclosures in an effort to enhance transparency and clarity for consumers in the mortgage loan closing process.

In addition to engaging in the CFPB’s forthcoming regulations on mortgage loan closing, Congresswoman Beatty continues to be a leader for increasing financial literacy. On April 23, 2015, Congresswoman Beatty introduced the *Housing Financial Literacy Act of 2015*, H.R. 2015. The bipartisan legislation would give first-time homebuyers who complete a Department of Housing and Urban Development or HUD-certified housing counseling course a discount on their Federal Housing Administration (FHA) mortgage insurance premiums of 25 basis points (or 0.25 percent).

A video of Congresswoman Beatty’s opening statement is available [HERE](#).

Remarks as prepared for delivery:

Thank you Mr. Chairman for holding today’s timely hearing.

We are here today to better understand the Consumer Financial Protection Bureau’s TILA-RESPA integrated disclosures and what the implementation of these rules will mean to both the industry and the consumers.

These disclosures aim to reduce the overlapping of information received by customers, as well as to simplify the overall origination process, which I support.

Also, I applaud the CFPB’s efforts in engaging in consumer and industry research to put forth a good rule.

In fact, just yesterday, I heard from a large contingency of the Ohio Association of REALTORS who are accepting of the reconciled TILA-RESPA rules.

They are not asking for a change or to challenge the rule. But what they have expressed to me is that they would like to have a test run. They need a preseason to work out the nuances of the new disclosure forms.

I liken it to speed cameras that typically are set up with a 30-day grace period to allow for the public to understand and become accustomed to the new or updated law.

At the end of the day we are here to bridge the gap between effective compliance and ensuring that the rule's implementation is in the best interests of both the realtors and the homebuyers.

In the aftermath of the 2008 housing crisis I hope to learn today that all consumers, both buyers and sellers, will have the proper education and understanding of TILA-RESPA disclosures to make the mortgage loan closing process as fluid and seamless as possible.

I yield back the balance of my time.