

# CFPB Issues Final Rule To Help Mortgage Servicers Communicate With Certain Borrowers Facing Bankruptcy

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**WASHINGTON, D.C.** — The Consumer Financial Protection Bureau (Bureau) today issued a final rule to help mortgage servicers communicate with certain borrowers facing bankruptcy. The final rule gives mortgage servicers more latitude in providing periodic statements to consumers entering or exiting bankruptcy, as required by the Bureau's 2016 mortgage servicing rule.

The Truth in Lending Act requires mortgage servicers to provide periodic statements to borrowers, and the Bureau has developed sample forms for servicers to use. The 2016 mortgage servicing rule requires that servicers send modified periodic statements or coupon books to certain consumers in bankruptcy starting April 19, 2018. The rule also addressed the timing for servicers to transition to providing or ceasing to provide modified periodic statements to consumers entering or exiting bankruptcy. After issuing the rule, however, the Bureau learned that certain technical aspects of the timing of this transition may create unintended challenges and be subject to different legal interpretations. In October 2017, the Bureau sought public comment on a proposed rule that would provide greater certainty to help servicers comply. Today the CFPB is finalizing that proposed rule. Specifically, the final rule provides a clear single-statement exemption for servicers to make the transition, superseding the single-billing-cycle exemption included in the 2016 rule.

The effective date for the rule is April 19, 2018, the same date that the other sections of the 2016 rule relating to bankruptcy-specific periodic statements and coupon books become effective.

**The final rule on the timing requirements for bankruptcy periodic statements is available at: [https://files.consumerfinance.gov/f/documents/cfpb\\_mortgage-servicing\\_final-rule\\_2018-amendments.pdf](https://files.consumerfinance.gov/f/documents/cfpb_mortgage-servicing_final-rule_2018-amendments.pdf)** □

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*The Consumer Financial Protection Bureau is a 21st century agency that helps consumer finance markets work by regularly identifying and addressing outdated, unnecessary, or unduly burdensome regulations, by making rules more effective, by consistently enforcing federal consumer financial law, and by empowering consumers to take more control over their economic lives. For more information, visit [consumerfinance.gov](http://consumerfinance.gov).*

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