

June 11, 2018

The Honorable Sean Duffy
2330 Rayburn House Office Building
Washington, DC 20515

The Honorable Ed Perlmutter
1410 Longworth House Office Building
Washington, DC 20515

Dear Representatives Duffy and Perlmutter:

The undersigned organizations offer our strong support for H.R. 5534, the *Give Useful Information to Define Effective Compliance Act* or "*GUIDE*" Compliance Act. Our coalition thanks you for introducing this important legislation that would provide a statutory framework requiring the Consumer Financial Protection Bureau ("CFPB") to issue regular, written interpretative rules and guidance to facilitate industry compliance – and thereby better protect consumers.

Market participants continue to be frustrated by CFPB guidance that contains caveats which serve to diminish the reliability of said regulation for future reference. The Bureau has been historically slow to issue guidance, which has created an environment of uncertainty amongst all stakeholders. An example of this lack of clarity was the Bureau's *Know Before You Owe* (KBYO) rule, which comprehensively revised consumer mortgage disclosures. After issuing this rule, the Bureau failed to adequately answer the numerous technical and substantive questions raised by the complex proposal, resulting in confusion for consumers and industry participants alike.

H.R.5534 addresses these concerns by requiring the CFPB to issue guidance that can be relied upon in good faith by industry. It sets clear timelines for the CFPB to solicit industry questions and provide answers during and after the implementation process. The bill requires public notice before the Bureau amends or revokes guidance. It also eliminates liability for acts that were consistent with guidance when they occurred, regardless of whether that guidance has since changed. Finally, the bill requires the CFPB to develop published guidelines for determining the size of any civil money penalties.

By creating a more transparent regulatory environment, we believe this legislation, once enacted, will serve to enhance the effectiveness and efficiency of the CFPB. We strongly support H.R. 5534 and look forward to working with you and your colleagues on the House Financial Services Committee to create a groundswell for its rapid consideration. We thank you for your leadership on this important issue.

Sincerely,

American Land Title Association
Appraisal Institute
Community Home Lenders Association
Community Mortgage Lenders of America
Consumer Bankers Association
Consumer Mortgage Coalition
Financial Services Roundtable
Independent Community Bankers of America

Manufactured Housing Institute
Mortgage Bankers Association
National Association of Federally-Insured Credit Unions
National Association of Home Builders
National Association of Mortgage Brokers
National Association of REALTORS®
National Reverse Mortgage Lenders Association
RESPRO
The Realty Alliance