

**CONSUMER FINANCIAL PROTECTION BUREAU
REQUEST FOR APPROVAL UNDER THE GENERIC CLEARANCE
COMPLIANCE COSTS AND OTHER EFFECTS OF REGULATIONS
(OMB Control Number: 3170-0032)**

PART A: JUSTIFICATION FOR THE INFORMATION COLLECTION

1. TITLE OF INFORMATION COLLECTION: Industry Survey for the TRID Assessment

2. PURPOSE: The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) requires that the Consumer Financial Protection Bureau (Bureau) assess its significant rules within 5 years of a rule's effective date. The Bureau has determined that its November 2013 final rule titled "Integrated Mortgage Disclosures under the Real Estate Settlement Procedures Act (Regulation X) and the Truth In Lending Act (Regulation Z)," (TRID Rule) with subsequent amendments, is a significant rule. The Act requires that the Bureau's assessment reflect available evidence and data that the Bureau may reasonably collect. This information collection will allow the Bureau to reach out to a cross-section of stakeholders and gather information from them about their experiences with the rule.

This survey is one part of an overall effort to fulfill the Bureau's obligation to address, among other relevant factors, the effectiveness of the TRID Rule in meeting the purposes and objectives of Title X of Dodd-Frank and the specific goals of the Rule as stated by the Bureau. As part of its broader information collection related to the assessment, the Bureau has obtained, or is working to obtain, data from a number of other sources. Among them:

- The Bureau plans to analyze internal mortgage datasets such as the National Survey of Mortgage Originations (NSMO), National Mortgage Database (NMDB) and Home Mortgage Disclosure Act (HMDA) to assess the effect of the TRID Rule on consumers, firms, and the overall market.
- The Bureau has conducted outreach meetings with various industry participants, consumer groups, and state stakeholders to understand the effects of the TRID Rule and to inform the data requested in this survey. This outreach has yielded information about one-time and ongoing compliance costs and issues as well as consumer behaviors and experiences with the forms among many other aspects of the implementation of the TRID Rule.
- The Bureau is exploring its consumer complaint database and other consumer-facing webpages to examine trends and gain insight into where consumers may have had or be having problems with the TRID Rule.

The primary contribution of this mortgage industry survey is to get detailed information about the effects of the TRID Rule, including compliance costs, from a broad cross-section of the mortgage industry. In addition, the survey provides industry participants with another opportunity to speak about their experiences around the Rule.

The Bureau recognizes that the data provided by this survey will be limited, because the Bureau does not expect responses to the survey to be statistically representative of the market as a whole. In addition, the Bureau does not anticipate re-weighting the results in order to draw conclusions

that are representative of the general population. Instead, the Bureau anticipates caveating its results as pertaining to the sample that responds to the survey. However, even in this limited, not statistically representative form, the Bureau's knowledge regarding the impact of the rule will be vastly improved.

The Bureau stated in its announcement of a previous assessment that the Bureau does not plan for the assessment report to contain specific proposal by the Bureau to modify any rules.¹ The Bureau will continue with this plan for the TRID Rule assessment report. The Bureau expects that the report will inform the Bureau and the public on the effectiveness of the TRID Rule. After the report is complete, the Bureau can evaluate whether to engage in substantive policy development, which could include additional research and development of proposed changes to the rule through the notice and comment process. The Bureau does not intend for this survey or the assessment to alone inform any policy changes.

The Bureau will not make the results of this data collection into a public-use dataset.

3. DESCRIPTION OF RESPONDENTS: The survey respondents will be mortgage loan originators and brokers, compliance officers, and settlement agents. Mortgage origination compliance and loan officers will be surveyed from different institutions, such as banks, credit unions, independent mortgage companies, and affiliated mortgage companies, of varying sizes based on loan origination volume. Each group will receive their own set of survey questions tailored to their roles and responsibilities in the origination process.

4. Federal Register Notice Citations:

- a. **60-day *Federal Register* Notice** 84 FR 26078 **Date:** 06/5/2019
- b. **30-day *Federal Register* Notice** 84 FR 55944 **Date:** 10/18/2019

5. TYPE OF COLLECTION (ADMINISTRATION OF THE INSTRUMENT):

a. How will you collect the information? (Check all that apply)

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Web-based or other forms of Social Media | <input type="checkbox"/> Telephone |
| <input type="checkbox"/> In-person | <input type="checkbox"/> Mail |
| <input type="checkbox"/> Small Discussion Group | <input type="checkbox"/> Focus Group |
| <input type="checkbox"/> Other, Explain _____ | |

b. Will interviewers or facilitators be used?

- Yes No Not Applicable

¹ See the *Federal Register* <https://www.federalregister.gov/d/2017-11218/p-22>.

6. PERSONALLY IDENTIFIABLE INFORMATION:

- a. Is personally identifiable information (PII) collected? Yes No
- b. If Yes, is the information that will be collected included in records that are subject to the Privacy Act of 1974? Yes No Not Applicable
If applicable, what is the link to the Privacy Impact Assessment (PIA)?

Industry, Expert, Community Input, and Engagement PIA:
https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/20161101_cfpb_Industry_Expert_Community_Input_and_Engagement_PIA.pdf

- c. If Applicable, has a System or Records Notice (SORN) been published?
 Yes No Not Applicable
 If yes, cite the SORN. Title: [CFPB.022 Market and Consumer Research Records, FR 77 FR 67802](#).

7. INCENTIVES:

- a. Is an incentive provided to participants? Yes No
- b. If Yes, provide the amount or value of the incentive? \$ N/A
- c. If Yes, provide a statement justifying the use and amount of the incentive.
N/A

8. BURDEN HOURS

Collection of Information	Respondents	Responses per Respondent (Frequency)	Responses	Participation Time (hours)	Burden Hours
Industry Survey: Survey for Mortgage Lenders	5,353 ²	1	5,353	1.25	6,691
Industry Survey: Mortgage Loan Officers	5,353 ³	1	5,353	0.5	2,677
Industry Survey: Closing Company Representative	1,200 ⁴	1	1,200	.75	900
Totals:	11,906		11,906		10,268

9. FEDERAL COST: The estimated annual cost to the Federal government is \$ 0.

² We intend to send an invitation to take this survey to 26,768 companies and based on our previous experience expect 20% of those invited to take the survey to respond.

³ Similarly, 26,768 origination officers will be invited to respond, and we expect a 20% response rate

⁴ 6,000 will be invited, the expected response rate is expected to be 20%

PART B: COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS OR CONDUCTING A SURVEY OF FOCUS GROUP

If you are conducting a focus group, survey, or plan to employ statistical methods, please provide answers to the following questions:

1. RESPONDENT UNIVERSE AND SELECTION METHODS

- a. **Do you have a customer list or something similar that defines the universe of potential respondents and do you have a sampling plan for selecting from this universe?**

Yes No

- b. **If the answer is Yes, please provide a description below (or attach the sampling plan). If the answer is No, please provide a description of how you plan to identify your potential group of respondents and how you will select them.**

Through the collection of HMDA data from mortgage lenders, the Bureau can determine the universe of potential respondents who met the HMDA reporting requirements and filed 2015 and 2018 origination data. Nationwide Multistate Licensing System & Registry (NMLS) data will be used in tandem with HMDA to sample and send the survey to loan officers and mortgage company representatives. Trade groups such as the Mortgage Bankers Association (MBA), the American Bankers Association (ABA), and the American Land Title Association (ALTA) will be used to promote the survey and increase response rate. ALTA will specifically be used to assist the Bureau in distributing the survey to settlement agents.

- c. **The selection of your targeted respondents. Provide a description of how you plan to identify your potential group of respondents and how you will select them.**

The Bureau will send the survey to 26,768 institutions based on the above table. Based on the Bureau's judgment from past survey collections, the Bureau expects a response rate of 20% (roughly 5,353 institutions) for this survey.

2. INFORMATION COLLECTION PROCEDURES

The Bureau will send mortgage industry participants an email with a link to a web-based version of the survey where responses will be recorded. Only the Bureau's assessment team will have access to the collected responses. The Bureau will not use the provided data to make statistical claims about the overall mortgage market, but will aggregate selected responses and present anonymized findings and comments attributed only to industry participants that respond to the survey.

3. METHODS TO MAXIMIZE RESPONSE RATES AND ADDRESS ISSUES OF NON-RESPONSE

The Bureau conducted informal, preliminary outreach to various industry participants and industry groups, including those representing mortgage loan originators, settlement agents, and vendors to help inform the data requested in this survey. Most of these entities have confirmed that they would like to assist the Bureau in providing information helpful to the assessment. The Bureau will provide a link to the survey to these entities and, while not required to send the link if they choose to distribute the survey to their members, we believe the additional marketing and distribution method will maximize response rate. If, after 30 days, the Bureau does not receive data or other responses then a reminder email will be sent.

The Bureau does not believe that this information collection will result in a representative sample of all lenders. The Bureau will aggregate all voluntarily shared data and report findings with the qualification that the data only reflect firms that voluntarily provided information to the Bureau.

4. TESTING OF PROCEDURES OR METHODS

The Bureau has found through other assessments that the mortgage lending industry is willing and able to provide their responses to the survey in order to inform public policy and this assessment; this has been further confirmed through industry outreach specific to the TRID Rule assessment.

5. CONTACT INFORMATION FOR STATISTICAL ASPECTS OF THE DESIGN

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PART C: CERTIFICATIONS

CERTIFICATION PURSUANT TO 5 CFR 1320.9, AND THE RELATED PROVISIONS OF 5 CFR 1320.8(b)(3) :

By submitting this document, the Bureau certifies the following to be true:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (d) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (e) It indicates the retention period for recordkeeping requirements;
- (f) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (g) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected;
- (h) It uses effective and efficient statistical survey methodology; and
- (i) It makes appropriate use of information technology.

CERTIFICATION FOR INFORMATION COLLECTIONS SUBMITTED UNDER THIS GENERIC INFORMATION COLLECTION PLAN

By submitting this document, the Bureau certifies the following to be true:

- The collection is voluntary.
- The collection is low-burden for respondents and low-cost for the Federal Government.
- The collection is non-controversial and does not raise issues of concern to other federal agencies.
- Information gathered will not be used solely for the purpose of substantially informing influential policy decisions.
- The collection is targeted to the solicitation of opinions from respondents who have experience with the program or may have experience with the program in the future.
 - The results will not be used to measure regulatory compliance or for program evaluation.