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RSC THE REPUBLICAN STUDY COMMITTEE

H.R. 2954: Home Mortgage Disclosure Adjustment Act (Rep. Emmer, R-MN)

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FLOOR SCHEDULE:

H.R. 2954 is expected to be considered January 18, 2018, under a rule.

The rule self-executes an amendment offered by Rep. Emmer that would limit the amount that can be deposited into the SEC Reserve Fund to $48 million in FY 2018 (reduced from $50 million under current law). This amendment would offset the administrative costs of the underlying bill. Many conservatives have proposed eliminating the Reserve Fund, as it "is simply a slush fund created by the Dodd-Frank financial regulations law, allowing regulators to spend without oversight by Congress."

TOPLINE SUMMARY:

H.R. 2954 would provide an exemption from certain Consumer Financial Protection Bureau (CFPB) reporting requirements for depository institutions that originate fewer than 500 closed-end mortgage loans and fewer than 500 open-end lines of credit.

COST:

The Congressional Budget Office (CBO) estimates that enacting H.R. 2954 " would cost the agency [CFPB] $1 million over the 2018-2027 period to complete a rulemaking and update its data collection systems. Those costs are recorded in the budget as direct spending."

The rule considers as adopted an amendment that would offset the administrative costs of the underlying bill.

CONSERVATIVE CONCERNS:

- **Expand the Size and Scope of the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS:

The Dodd-Frank Wall Street Reform and Consumer Protection Act required the Consumer Financial Protection Bureau (CFPB) to expand the Home Mortgage Disclosure Act (HMDA) reporting requirements to require mortgage lending institutions to include additional information about applicants, lenders, and loans. According to the Committee Report, "The final rule, among other things, requires covered banks and credit unions to collect 48 unique data fields on each mortgage loan they make beginning January 1, 2018—more than double the number of data fields covered lenders are currently required to collect and beyond the number of fields statutorily required by the Dodd-Frank Act.

"The cost of compliance for HMDA is so great that many small banks are considering whether to abandon the mortgage business all-together."

The bill would provide an exemption from the reporting requirements for depository institutions that originated fewer than 500 closed end mortgage loans or open end lines of credit in each of the two preceding years.

The Committee Report for H.R. 2954 can be found here.

OUTSIDE GROUP SUPPORT:

- National Association of Federally-Insured Credit Unions
- Independent Community Bankers of America.

COMMITTEE ACTION:

H.R. 2954 was introduced on June 20, 2017, and referred to the Financial Services Committee. The Committee marked up and reported the bill on October 12, 2017, by a 36 – 24 vote.

ADMINISTRATION POSITION:

No Statement of Administration Policy is available at this time.

CONSTITUTIONAL AUTHORITY:

"Congress has the power to enact this legislation pursuant to the following: Article 1, Section 8, Clause 18".

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