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MORTGAGE BANKERS ASSOCIATION

May 12, 2021

The Honorable Maxine Waters  
Chairwoman  
Committee on Financial Services  
U.S. House of Representatives  
2129 Rayburn House Office Building  
Washington, D.C. 20510

The Honorable Patrick McHenry  
Ranking Member  
Committee on Financial Services  
U.S. House of Representatives  
4340 O'Neill House Office Building  
Washington, D.C. 20024

Dear Chairwoman Waters and Ranking Member McHenry:

On behalf of the Mortgage Bankers Association (MBA)<sup>1</sup>, I am writing to express our views on two of the bills scheduled to be considered for markup by the Committee on Financial Services on May 12, 2021.

**H.R. \_\_\_\_\_, a bill to promote language access in mortgage servicing**

As indicated by our focused work with regulators over the past several years, the MBA and its members are eager to serve all borrower cohorts and would welcome potential measures that help lenders provide information to borrowers in their preferred language and ensure that they fully understand their mortgage transactions. In that regard, we appreciate the recent outreach to MBA by majority committee staff and the office of the proposal's lead sponsor, Congresswoman Sylvia Garcia (D-TX), to discuss the provisions within the Amendment in the Nature of a Substitute (ANS) before the Committee.

As part of that recent dialogue, MBA has emphasized that the legal framework contemplated by this proposal should avoid imposing compliance burdens that would significantly increase lender liability associated with serving borrowers with limited English proficiency (LEP). To encourage lending to LEP consumers, MBA believes that any legislation pertaining to this issue should reflect the following considerations:

- a federal preemption clause to provide lenders with a uniform legal framework across the country;
- clarification of what constitutes "oral interpretation" services;
- ample time for covered entities and regulators to fully develop a system that works to encourage lending in all communities;
- a safe harbor for lenders complying in good faith with LEP legislation and regulation;

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<sup>1</sup> The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 330,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 1,700 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: [www.mba.org](http://www.mba.org).

- a readily available publicly accessible database of CFPB, HUD, and/or FHFA approved interpretation services, so that lenders have access to reputable translating individuals and entities;
- limiting any requirement to provide oral interpretation to the languages covered by written translations prepared by the CFPB and FHFA (e.g., the eight most commonly spoken languages by LEP consumers);
- a reasonable definition for the types of consumer and borrower communications that must be accommodated in the consumer's preferred language; and
- improved accessibility and interagency harmonization of the FHFA's Mortgage Translations clearinghouse, a resource created through extensive industry/regulator collaboration.

We look forward to continuing discussions with members of this Committee to reach a possible consensus as this proposal moves towards House floor consideration.

### **H.R. 166, the "Fair Lending for All Act"**

MBA strongly supports lending equality and efforts to prevent credit discrimination with respect to applications for, and the extension of, mortgage credit. Indeed, one of our association leadership's key priorities this Congress is working to increase homeownership within communities of color. Achieving this goal will most certainly require appropriate oversight of the mortgage industry, with a keen focus on preventing discrimination to ensure equal treatment for all credit applicants.

MBA is concerned that H.R. 166 in its current form would create interpretations of the law that would be difficult to comply with and confusing. We are also concerned the bill would require lenders to ask invasive personal questions of borrowers. Though we are unable to support this proposal in its current form, we stand ready to work with members of the Committee to help develop legislative proposals that would serve to eliminate discrimination and ensure equitable access to homeownership opportunities.

### **Conclusion**

As always, thank you in advance for your consideration of the views expressed within this letter. We stand ready to work with the Committee to ensure a robust real estate finance market that is accessible, affordable, and operates efficiently within communities across our nation.

Sincerely,



Bill Killmer  
Senior Vice President  
Legislative and Political Affairs

cc: All Members, House Committee on Financial Services