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August 10, 2026

Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

Re: Request for Information Regarding Promoting Access to Mortgage Credit: TILA-RESPA Integrated Disclosure (TRID) Rule; Docket No. CFPB-2026-0018

To Whom It May Concern:

The Independent Community Bankers of America ("ICBA")[1] appreciates the opportunity to respond to the Consumer Financial Protection Bureau's ("CFPB" or "Bureau") Request for Information (RFI) regarding the TILA-RESPA Integrated Disclosure ("TRID") Rule and its impact on consumers, lenders, and the mortgage market.

ICBA represents community banks of all sizes and charter types across the country. Community banks play an essential role in meeting the mortgage credit needs of consumers, particularly in rural, small-town, and underserved markets. As relationship lenders, community banks strongly support meaningful disclosures that help consumers understand the costs and terms of mortgage transactions. However, after more than a decade of implementation experience, community banks continue to report that certain aspects of the TRID framework create unnecessary delays, increase costs, and reduce operational flexibility without providing commensurate consumer benefits. Community bankers have reported that the complexity of the TRID has driven them to reduce mortgage lending or exit the business entirely.

ICBA commends the CFPB and the Trump Administration for undertaking a comprehensive review of federal mortgage regulations to promote access to mortgage credit, reduce unnecessary regulatory burden, and support greater housing affordability. The Bureau's review of the TRID Rule represents an important opportunity to modernize requirements that have proven unnecessarily rigid and costly while preserving meaningful consumer protections. By updating the rule to reflect current market

[1] *The Independent Community Bankers of America® has one mission: to create and promote an environment where community banks flourish. We power the potential of the nation's community banks through effective advocacy, education, and innovation. As local and trusted sources of credit, America's community banks leverage their relationship-based business model and innovative offerings to channel deposits into the neighborhoods they serve, creating jobs, fostering economic prosperity, and fueling their customers' financial goals and dreams. For more information, visit ICBA's website at icba.org.*

conditions, technological advancements, and the realities of mortgage lending, the CFPB can improve the consumer experience, reduce compliance costs, and strengthen the ability of community banks to serve homebuyers in communities across the country.

Question 1. Do the timing requirements materially affect consumers' ability to obtain mortgage credit? If so, in what ways and to what extent is credit availability affected?

Community banks report that current TRID timing requirements can materially affect consumers' ability to obtain mortgage credit in a timely and efficient manner. While the requirements generally do not affect a borrower's qualification for credit, they frequently delay access to credit and create uncertainty regarding closing timelines. Community bankers report that borrower-requested changes, including changes to loan programs, mortgage insurance arrangements, or loan terms, can trigger additional disclosure requirements and waiting periods that delay closing, even when such changes benefit the borrower. These delays are particularly problematic in purchase transactions where contractual deadlines often leave little room for extension.

Community bank lenders also report that the current framework encourages the issuance of Closing Disclosures ("CDs") before final settlement figures are available simply to satisfy the mandatory waiting period. As a result, consumers may receive disclosures that later require changes, undermining the objective of providing complete and meaningful information before closing.

Question 2. Do the timing requirements increase costs for mortgage brokers, creditors, or consumers? If so, do these costs outweigh any benefits to consumers provided by such timing requirements? If so, how do these costs compare to the costs of implementing changes to the timing requirements?

Community banks consistently report that TRID timing requirements increase operational, compliance, personnel, technology, and administrative costs. Institutions devote substantial resources to monitoring disclosure deadlines, tracking redisclosures, managing waiting periods, and ensuring compliance with complex timing calculations. Community bankers also report that rate-lock extension costs frequently result from disclosure-related delays, and these costs are often absorbed by lenders.

Many community bankers question whether the incremental benefits associated with the current three-business-day waiting period justify the additional costs and delays imposed on borrowers and lenders. A revised framework that preserves consumer awareness of significant loan terms while providing greater flexibility would reduce costs without sacrificing consumer protections.

Question 3. Are there certain transaction types or specific scenarios that are inhibited or complicated by the timing requirements?

Purchase transactions are disproportionately affected because closing dates are generally governed by contractual obligations between buyers and sellers. Delays caused by redisclosures or waiting periods can jeopardize transactions and increase costs for all parties involved. Construction and construction-to-permanent loans are similarly affected because changes to project budgets, construction timelines, builders, and plans increase the likelihood of changed circumstances requiring revised disclosures.

Community bankers also report that borrower-requested changes late in the origination process can create significant operational challenges. If a revised Loan Estimate ("LE") is required, lenders often must restart portions of the disclosure process before a CD may be issued, making it difficult to maintain previously scheduled closing dates.

Question 4. Are there opportunities to provide initial Loan Estimates earlier in the mortgage origination process to meet the statutorily required waiting periods while allowing consumers time to shop and reducing closing delays?

ICBA supports efforts to provide consumers with useful information as early as practicable in the mortgage process. The Bureau should explore mechanisms that provide lenders with greater flexibility to furnish preliminary estimates before all transaction details are finalized. Such an approach could encourage earlier consumer engagement and more meaningful comparison shopping while reducing pressure on closing timelines later in the process.

Any modifications should recognize that many settlement service costs, property-specific charges, and transaction details remain unknown during the initial stages of the application process and should not create additional liability for lenders providing good-faith estimates.

Question 5. Are there ways to reduce the incidence of revised disclosures being issued while providing consumers with timely updates to settlement costs and avoiding closing delays?

Reducing unnecessary redisclosures should be a key objective of TRID modernization. The Bureau should provide greater flexibility regarding changed circumstances and reassess tolerance standards that frequently result in revised disclosures for changes that are immaterial to consumers' decision-making.

More flexibility for borrower-requested changes, seller concessions, appraisal-related negotiations, and minor fee fluctuations would reduce unnecessary disclosures while preserving consumer awareness of material transaction changes.

Question 6. Are there opportunities to provide Closing Disclosures earlier in the mortgage origination process to meet the statutorily required waiting periods while allowing consumers time to understand loan costs, prepare for loan consummation, and avoid closing delays?

Although lenders strive to deliver CDs as early as possible, final settlement figures often are unavailable sufficiently far in advance of closing to allow for a truly final disclosure. As a result, lenders frequently provide CDs before all costs have been finalized solely to satisfy timing requirements.

The Bureau should consider alternatives that permit consumers to receive meaningful information early while allowing lenders flexibility to update non-material figures as the transaction progresses without triggering additional delays.

Question 7. What additional guidance or model forms could the CFPB issue to better facilitate consumers' decision to waive the statutorily required waiting periods for a bona fide personal financial emergency?

The Bureau should develop model language, sample certifications, and illustrative examples that clarify when a bona fide personal financial emergency exists. Standardized forms and guidance would improve consistency among lenders and help consumers understand their options when circumstances warrant expedited closing.

Question 8. Are there any materiality-based standards that could replace or supplement timing rules, recognizing TILA's timing requirements for delivery of disclosures after application and before consummation, including issuance of revised disclosures upon a change in APR above the prescribed tolerance?

ICBA supports evaluating whether carefully structured materiality-based standards could supplement existing timing requirements in limited circumstances. Community banks frequently report that APR tolerance violations and other technical disclosure changes require redisclosures even when there is no meaningful change to the consumer's interest rate, loan pricing, or overall costs. These situations can create confusion and delay closings without providing additional consumer benefit.

At the same time, ICBA recognizes concerns raised by community bankers regarding overly subjective standards. Any materiality framework should include objective thresholds, clearly defined safe harbors, and uniform regulatory expectations to preserve consistency among lenders, investors, examiners, and secondary market participants. Community bankers value predictability and caution against introducing standards that rely heavily on subjective interpretation.

Question 9. Does the three-business-day post-consummation rescission waiting period, coupled with the three-business-day pre-consummation TRID waiting period, unduly delay loan funding for

refinance transactions? If so, how could the CFPB adjust the right of rescission or TRID waiting periods?

When both waiting periods apply, refinance borrowers can experience substantial delays before receiving access to funds. The Bureau should evaluate whether these overlapping waiting periods remain necessary and consider alternatives that preserve consumer protections while reducing unnecessary delays. Potential options include allowing the periods to overlap or otherwise streamlining the process for refinance transactions, as well as allowing the borrower to waive their right of rescission entirely as outlined in the President's Executive Order.

Question 10. Are there adjustments to the tolerance thresholds that could improve loan execution and result in improved credit access and lower consumer costs?

One of the most common concerns expressed by community banks involves TRID tolerances applicable to recording fees, transfer taxes, and other settlement charges that often cannot be determined with complete precision within three business days of application. In response, lenders frequently over-disclose fees to avoid tolerance violations and later issue reimbursement checks for nominal amounts, sometimes less than one dollar. This practice increases operational costs and creates confusion for borrowers without producing meaningful consumer benefits.

ICBA recommends that fees disclosed in LE Sections B and E be subject to either a ten percent tolerance standard or a minimum tolerance floor of at least $50. Such changes would significantly reduce unnecessary cures and improve the efficiency of the mortgage origination process.

Question 11. Is there additional guidance that CFPB should provide around changed circumstances, which result in the issuance of revised estimates?

Community banks would welcome additional guidance regarding changed circumstances. One common example occurs when buyers continue negotiating with sellers after receiving appraisal results or inspection reports. Borrowers should not face delayed closings simply because they successfully negotiated a lower sales price or additional seller concessions after obtaining new information.

The Bureau should clarify that lenders may revise estimates in these circumstances without jeopardizing previously scheduled closing dates. Greater flexibility would improve borrower outcomes and reduce unnecessary operational burdens.

Question 13. Is there additional guidance that CFPB should provide regarding the acceptability of electronic or digital forms and signatures that would promote their use and lower costs for consumers?

Community banks generally believe that existing guidance regarding electronic delivery and digital signatures is sufficient. However, the Bureau should continue supporting broader adoption of electronic mortgage processes through modernization initiatives and additional clarification where appropriate. Expanded use of digital tools can reduce costs, increase convenience, and improve access to credit.

Question 14. Are there changes or clarifications to requirements specific to construction loans that would provide consumer clarity, reduce costs, or otherwise promote access to credit for the construction of residential housing? For example, should the CFPB waive certain requirements as the CFPB did when it issued a "Trial Disclosure Program Waiver Template" to the Independent Community Bankers of America (ICBA) covering the ICBA's alterative versions of the Loan Estimate and Closing Disclosure tailored to construction loans?

Yes. ICBA strongly supports the CFPB's Trial Disclosure Program Waiver and the alternative disclosure framework developed for consumer construction and construction-to-permanent loans. Construction lending presents unique challenges that differ substantially from traditional mortgage transactions. The Bureau should build upon this successful effort and consider permanent construction-specific disclosure flexibility that better reflects the realities of these products while enhancing consumer understanding.

Question 15. Are there other changes to the TRID Rule that CFPB should consider to facilitate compliance with the disclosure requirements of TILA and RESPA and to aid the consumer in understanding the transaction?

ICBA encourages the Bureau to work closely with the federal banking agencies to ensure consistency in TRID examination, supervision, and enforcement practices. Consistent with President Trump's Executive Order, community banks would also benefit from a correction-first supervisory approach focused on actual consumer harm rather than technical compliance violations.

Community bankers report that the mortgage origination process remains highly dynamic and dependent upon numerous third parties, including settlement agents, appraisers, title companies, and local recording offices. The rigidity of current TRID requirements often forces lenders to absorb costs associated with circumstances beyond their control. Combined with concerns regarding potential enforcement actions for technical violations, these burdens contribute to some community banks reducing or exiting mortgage lending activities altogether. A more balanced regulatory framework would help preserve access to locally based mortgage credit.

Question 16. For any potential changes recommended regarding TRID requirements, are there any considerations for pricing or secondary market participants that CFPB should consider, such as concerns around acceptance of materiality-based standards in lieu of timing standards?

The Bureau should carefully consider the importance of consistency and predictability to secondary market participants. Community bankers note that mortgage-backed securities markets function most effectively when standards are objective, transparent, and uniformly applied. Any movement toward greater reliance on materiality-based standards should therefore be supported by clear thresholds and well-defined expectations.

At the same time, reducing unnecessary compliance costs would lower origination expenses and improve lenders' ability to compete. These efficiencies ultimately can benefit consumers through improved pricing and expanded access to mortgage credit.

Question 17. Are there unique aspects of the loan origination process performed by small banks and credit unions for which the CFPB should consider changes to the TRID Rule specifically tailored for small banks and credit unions? If so, how should CFPB consider structuring these tailored changes?

Community banks face unique challenges because they operate with substantially fewer compliance, legal, and technology resources than larger institutions. The fixed costs associated with TRID compliance therefore fall disproportionately on smaller lenders.

The Bureau should consider targeted relief such as streamlined redisclosure requirements, additional implementation periods for future regulatory changes, and greater flexibility regarding disclosure timing obligations. At the same time, ICBA believes any tailored framework should remain sufficiently consistent with broader market standards to preserve transparency and maintain secondary market acceptance. Community bankers generally favor common national standards accompanied by sensible relief that recognizes the resource constraints of community institutions.

Question 18. Would changes exclusive to small banks and credit unions lower costs for originators, creditors, or consumers?

Community banks believe appropriately tailored regulatory relief would reduce compliance, staffing, technology, and operational expenses. Because smaller institutions lack the economies of scale available to larger lenders, regulatory costs have a disproportionately large impact on their mortgage lending operations.

Reducing unnecessary complexity would encourage more community banks to remain active in mortgage lending, increase competition, and improve access to credit, particularly in rural and

underserved markets. Lower compliance costs ultimately benefit consumers through expanded choice, stronger competition, and potentially lower borrowing costs.

ICBA appreciates the Bureau's consideration of these comments and looks forward to continued engagement regarding opportunities to modernize the TRID Rule in a manner that preserves consumer protections while improving efficiency, reducing costs, and expanding access to mortgage credit.

Sincerely,

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