



ALTA Grassroots Update - May 05, 2009 - RESPA Update



To: Grassroots Activists
From: ALTA Grassroots Action Center
Date: May 05, 2009
Subject: ALTA Grassroots Update

We reported last week on two ALTA-backed amendments to HR-1728 the Mortgage Reform and Anti-Predatory Lending Act. This week, the bill comes to the floor of the House.

ALTA continues to reach out to key congressional offices to answer questions about an ALTA-supported amendment by Rep. Melissa Bean (D-IL) that would require borrowers receive their closing documents one day in advance of closing and that settlement providers receive closing information from lenders two days in advance of closing is expected to be offered on the House floor. ALTA met with Reps. Melissa Bean (D-IL), Judy Biggert (R-IL), Mark Kirk (R-IL), Chris Lee (R-NY), Don Manzullo (R-IL), Walt Minnick (D-ID), Ed Royce (R-CA) and Paul Ryan (R-WI) on that amendment and are holding additional meetings to secure support this week.

A RESPA amendment by Reps. Judy Biggert (R-IL), Ruben Hinojosa (D-TX) and Randy Neugebauer (R-TX) passed and is part of the bill that will be considered. The amendment requires HUD withdraw the GFE and HUD-1 Settlement Statement from the new RESPA rule and work with the Federal Reserve Board to issue a new joint RESPA/Truth In Lending Act (TILA) proposed rule within 6 months of the bill's passage and a final rule within 12 months of the bill's passage. If HUD and the Federal Reserve fail to come up with a joint rule within the 12 months timeframe, they are permitted to proceed with their separate rulemaking.

Even as the RESPA amendment was being considered in the House committee, ALTA's RESPA Implementation Taskforce was meeting with HUD and the MBA to work through questions in order to provide you and your peers with guidance on how to interpret and implement the new rule. We had very productive meetings, moving through some 10 key questions and agreeing on ways to find solutions together. Look for more guidance from ALTA in the coming weeks, but know that you're not alone in wanting answers to these implementation questions ASAP.

If you have questions, please contact ALTA Director of Government Affairs Justin Ailes at 202.261.2937 or jailes@alta.org.