America's Credit Unions

Regulatory Comment: Request for Information Regarding Promoting Access to Mortgage Credit

THE ISSUE:

On July 9, 2026, the Consumer Financial Protection Bureau (CFPB) released a Request for Information (RFI) about potential regulatory changes that may reduce regulatory burdens and promote access to mortgage credit.

IMPACT TO CREDIT UNIONS:

The RFI presents a significant opportunity for credit unions, as it explores potential revisions to mortgage disclosure requirements that could reduce regulatory burden, simplify the mortgage origination process, and lower compliance costs for institutions originating residential mortgage loans. Importantly, the CFPB specifically seeks input from credit unions, making their feedback particularly valuable in potentially shaping regulatory reforms.

KEY POINTS:

- This RFI is in response to Executive Order 14393, titled "Promoting Access to Mortgage Credit" (Executive Order). It includes proposals that would provide credit unions and other smaller financial institutions relief related to mortgage laws, rules, and regulations.
- The CFPB is requesting information on industry and consumer burdens related to the integrated mortgage disclosures under the Truth in Lending Act (TILA) and Real Estate Settlement Procedures Act (RESPA) (TILA-RESPA integrated disclosures or TRID), the right of rescission, and reverse mortgage disclosures.

ACTION NEEDED: Deadlines and contacts

Please use the comment link below to respond to America's Credit Unions' survey. This will help shape the discussion and better address your needs in our comment letters.

- Comments due to America's Credit Unions: August 3, 2026 — Submit here
- Comments due to the CFPB by August 10, 2026
- Questions? Contact Tyler Maron, Regulatory Advocacy Counsel, America's Credit Unions
- Agency contact: Dave Gettler, Paralegal Specialist, Office of Regulations, at 202-435-7700

QUESTIONS TO CONSIDER:

1. 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 (e.g., exemptions or alternative requirements)?

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

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

4. Are there specific TRID disclosure, documentation, or procedural requirements that provide limited consumer benefit relative to their compliance costs for credit unions?

BACKGROUND:

This RFI stems from the Executive Order's directive to improve the availability and affordability of mortgage credit for borrowers. The Executive Order seeks to tailor rules and reduce regulatory burden for credit unions, community banks, and small banks with fewer than $100 billion in assets to facilitate mortgage origination activity. Specifically, it contemplates amendments to Regulation Z that would tailor requirements related to Ability-to-Repay and Qualified Mortgage rules, as well as requirements under TILA, RESPA, and TRID frameworks.[1] The Executive Order also encourages replacing certain TRID timing rules with a materiality-based standard and exempting rate-and-term refinancing (including cash-out refinancing) from rescission rights.[2]

In 2013, the CFPB issued the Integrated Mortgage Disclosures under RESPA and TILA final rules. It consolidated several mortgage disclosure requirements under TILA and RESPA into two standardized forms: the Loan Estimate and Closing Disclosure. The rule is intended to improve transparency by providing consumers with clear, consistent information about loan terms, projected payments, and closing costs throughout the mortgage origination process. In addition to standardizing disclosures, TRID establishes detailed requirements related to disclosure timing, the accuracy of estimated fees, and the circumstances that require revised disclosures. While the rule has improved consumers' understanding of mortgage products, it has also introduced significant compliance and operational complexities on mortgage lenders, making it one of the most challenging regulatory frameworks affecting credit union mortgage lending.

The TRID Rule applies to most home mortgage loans secured by real property. Rather than creating an exemption based on an institution's asset size, the rule applies to lenders that meet Regulation Z's definition of a "creditor." Under Regulation Z, a person is considered to regularly extend consumer credit if, during the preceding calendar year, it originated more than 25 consumer credit transactions (excluding high-cost mortgages) or more than five transactions secured by a dwelling. As a result, many community financial institutions, including credit

[1] Exec. Order No. 14393 91 FR 13203 (Mar. 18, 2026).
[2] *Id.*

unions, are subject to the same TRID disclosure and compliance requirements as larger mortgage lenders.

In the RFI, the CFPB seeks feedback on whether the TRID Rule's scope and existing exemptions remain appropriate or should be revised to better balance consumer protections with regulatory burden. Specifically, the Bureau is considering whether the TRID framework should be modernized by revisiting timing disclosure requirements, the good-faith tolerance standards for estimated closing costs, procedures for issuing revised Loan Estimates and Closing Disclosures following changed circumstances, and the pre-closing waiting periods that may delay the completion of mortgage transactions.

The RFI also seeks feedback on the TILA right of rescission, which generally allows borrowers to cancel certain refinance and home equity loans secured by their primary residence within three business days after closing. The CFPB notes that borrowers subject to rescission also receive the Closing Disclosure at least three business days before consummation under the TRID Rule, effectively providing nearly one week to review the loan's final terms before the transaction becomes irrevocable. The Bureau further highlights stakeholder concerns that the combination of the pre- and post-closing review periods may unnecessarily delay refinancing transactions and increase costs for borrowers and lenders. Accordingly, the RFI invites comments on whether the existing rescission framework continues to serve its intended purpose.

The RFI also requests comments on whether the CFPB should modernize the disclosure framework for reverse mortgages, which are currently exempt from the TRID Rule and instead subject to separate disclosure requirements under TILA and RESPA. The Bureau notes that reverse mortgage borrowers currently receive multiple, overlapping disclosures, including early TILA disclosures, Good Faith Estimates or equivalent disclosures, HUD-1 Settlement Statements, and the Total Annual Loan Cost disclosure, which some stakeholders view as unnecessarily complex and duplicative. As a result, the CFPB is evaluating whether the current disclosure regime remains effective or whether a more streamlined approach is warranted, including the potential development of a reverse mortgage-specific integrated disclosure framework.

OTHER QUESTIONS:

A. Timing Requirements—TRID Rule and Right of Rescission

1. 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?

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

3. 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?

4. 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?

5. 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?

6. 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?

7. 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 a revised disclosure upon a change in APR above the prescribed tolerance? If so, how should CFPB consider defining and structuring these standards (e.g., as an optional supplement to TILA's timing requirements or a complete substitution for them)? Would these materiality-based standards result in improved administrative efficiencies while preserving or improving consumer clarity and reducing closing delays?

8. 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?

B. Other TRID Requirements

9. Are there adjustments to the tolerance thresholds that could improve loan execution and result in improved credit access and lower consumer costs? For example, are there instances where the CFPB should consider adjusting tolerances for transfer taxes because transfer taxes cannot be determined within three business days of application?

10. Is there additional guidance that CFPB should provide around changed circumstances, which result in the issuance of revised estimates? For example, should the CFPB consider providing additional guidance around changed circumstances in cases where a purchaser continues to negotiate with the seller for payment of charges customarily paid by the borrower?

11. Should the TRID disclosure forms be modified in a way that would improve clarity for consumers and loan execution for mortgage brokers or creditors?

12. 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?

13. 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?

14. 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?

15. 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? For example, how would potential changes impact the pricing, liquidity, or demand for mortgages, mortgage backed securities, mortgage servicing rights, or other mortgage backed capital markets instruments?

C. Reverse Mortgages

16. The CFPB is aware that the reverse mortgage industry faces significant difficulties applying the disclosure requirements of TILA and RESPA to reverse mortgages, in light of those transactions' unusual terms and features. Would integrated and tailored reverse mortgage disclosures enable consumers to make more informed decisions?

17. Would a different set of scenario assumptions in the calculation of total annual loan cost rates in the TALC table give consumers more reasonable and accurate likely cost estimates of reverse mortgages?

18. Would a table that demonstrates how the reverse mortgage balance grows over time, using dollar amounts rather than annualized loan cost rates in the current TALC table, help consumers to better understand and evaluate the costs and the benefits of the reverse mortgage? If so, what are the important features of such a chart?

19. Would consumers benefit from a tailored disclosure informing consumers about how reverse mortgages work and about terms and risks that are important to consumers when selecting a reverse mortgage, instead of the generic brochures and booklets? If so, please provide any research or analysis of material that would be beneficial.