



PLEASE SUPPORT BIGGERT AMENDMENT TO POSTPONE IMPLEMENTATION OF NEW RESPA DISCLOSURE FORMS

New RESPA Disclosures Should Not Be Confusing and Costly for Consumers.

Upcoming RESPA Implementation Will Create Confusion

The new RESPA disclosure requirements will take effect on January 1, 2010. Unfortunately, there have been delays at HUD in issuing guidance, adding to the confusion about these new requirements. Rather than help consumers, if left unchanged this implementation will be costly and create great confusion.

RESPA and TILA Disclosures Should Be Compatible

RESPA disclosures provide borrowers information on the settlement charges for residential real estate transactions, while TILA disclosures provide borrowers information on the costs and terms of credit for residential real estate transactions. For a consumer to fully understand the costs of a transaction, both RESPA and TILA disclosures are essential. While better disclosures will greatly improve consumer understanding, having two very different sets of disclosures provided to the consumer at application and at closing will create confusion and potential harm.

Amendment Will Ensure RESPA Disclosures Truly Help Consumers

- ✓ The Biggert amendment requires HUD to delay implementation of the new RESPA disclosure forms.
- ✓ The Biggert amendment requires HUD to take steps to achieve effective implementation of RESPA disclosure requirements.
- ✓ The Biggert amendment allows for both new and old RESPA disclosure forms to be used during a transition period.
- ✓ The Biggert amendment calls for coordination between HUD and the Federal Reserve so that RESPA and TILA disclosure forms are compatible.