

June 4, 2009

Ms. Sandra Braunstein  
Director  
Division of Consumer and Community Affairs  
Board of Governors of the Federal Reserve System  
Washington, DC 20551

Dear Ms. Braunstein:

The undersigned organizations respectfully request that you issue an interim interpretation of the Truth in Lending Act provision, section 404 of the Helping Families Save Their Homes Act of 2009, signed into law on May 20, 2009. The provision was intended by Congress to provide consumers information on subsequent owners of their mortgages. The provision, however, uses ambiguous and confusing terminology. Unless it is clarified, consumers will receive unnecessary and sometimes out-of-date disclosures that will be confusing and will not further Congressional intent.

Without the benefit of an interpretation that would provide a safe harbor under TILA section 130(f), we are also concerned that the industry will face costly and unnecessary liability from TILA violations, in turn resulting in increased consumer costs. We encourage you to act expeditiously, since the first notices must be provided after June 19, 2009.

While there are many issues raised by the requirement, we are mindful of the Board's timing constraints and we do not seek to have you issue a proposed amendment to Regulation Z or extensive guidance at this time. Rather, we believe that a few specific points can be clarified now that would be of enormous benefit; reserving a more thorough regulatory and interpretive discussion for a later date. We believe that these points are not controversial, and that they effectively carry out the legislative intent. An interpretation including these points is attached.

Thank you for the opportunity to share our thoughts. Please let us know if we can help to answer any questions or provide any additional information.

Sincerely,

American Financial Services Association  
American Securitization Forum  
American Bankers Association  
Consumer Bankers Association  
Housing Policy Council of the Financial Services Roundtable  
Mortgage Bankers Association  
Securities Industry Financial Markets Association