



# CFPB Finalizes Oct. 3 Start Date for TRID

On July 21, the Consumer Financial Protection Bureau (CFPB) issued a final rule delaying the effective date for the TILA-RESPA Integrated Disclosures rule until Oct. 3, 2015.

As the result of a filing error by the bureau, the CFPB in June proposed delaying TRID until Oct. 3. The bureau received 852 responses during the comment period, which ended July 7. ALTA encouraged the CFPB to use the extra time to correct issues with TRID, such as fixing the inaccurate disclosure of title insurance premiums for consumers and removing the “optional” label of owner’s title insurance on the forms. In the final rule, the CFPB said that it was not seeking comments on other issues aside from the delayed implementation.

“For example, the Bureau received a large number of comments asking it to revisit the requirement to identify owner’s title insurance as “optional” and the method of disclosure of owner’s and lender’s title insurance when there is a discount for simultaneous issuance of both policies. A large number of commenters also suggested that the Bureau should require creditors’ disclosures to separately itemize an appraiser’s charge versus related charges for an appraisal management company. The Bureau considered the same arguments presented by these commenters in the TILA-RESPA Final Rule and did not open its decisions to notice-and-comment rulemaking in the Proposed Rule. Therefore, these comments are outside the scope of this rulemaking.”

In addition, the CFPB also explained why it rejected industry’s request for a grace period for enforcement. The final rule referenced a June 3 letter to members of Congress and its blog. In the letter, CFPB Director Richard Cordray said the bureau would be “sensitive to the progress made by those entities that have squarely focused on making good-faith efforts to come into compliance with the rule on time.” At the time, Cordray said his statement was “consistent with the approach” the CFPB took with enforcement of the Qualified Mortgage and Ability To Repay regulations. Those rules took effect in January 2014, but examiners didn’t begin auditing lenders for compliance for four months, according to the bureau’s winter 2015 Supervisory Highlights bulletin.

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Additionally, the CFPB said that scheduling the effective date on a Saturday “may allow for smoother implementation by affording industry time over the weekend to launch new systems configurations and to test systems. A Saturday launch is also consistent with existing industry plans tied to the Saturday August 1 effective date.”

The bureau also said that a longer delay in implementation “would impose unnecessary costs on both those segments of industry that have worked hardest to implement on time and on consumers and would be inconsistent with the underlying intent to aid consumer understanding of mortgage loan transactions.”

The final rule also includes two technical corrections to two provisions. The first includes amending the rule so that the Calculating Cash to Close table on the Closing Disclosure accurately reflects the total amount of cash or other funds that the consumer must provide at consummation and will complete the alignment of the disclosure of Adjustments and Other Credits between the Closing Disclosure and the Loan Estimate.

The bureau also amended a part of the rule requiring creditors to disclose the basis for any difference between the Adjustments and Other Credits disclosed on the Loan Estimate and the Adjustments and Other Credits disclosed as “Final” on the Closing Disclosure (unless the difference is due to rounding).

*Source: [www.alta.org](http://www.alta.org)*

