

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

November 15, 2013

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, Savings and Loan Holding Companies,
and Foreign Banking Offices
in the Twelfth Federal Reserve District

Guidance on Providing List of Housing Counselor Agencies

On November 8, 2013, the Consumer Financial Protection Bureau (CFPB) issued [CFPB Bulletin 2013-13](#) to provide guidance to lenders regarding the homeownership counseling list requirement finalized in the High-Cost Mortgage and Homeownership Counseling Amendments to the Truth in Lending Act (Regulation Z) and Homeownership Counseling Amendments to the Real Estate Settlement Procedures Act (RESPA Homeownership Counseling Amendments) Final Rule, collectively referred to as the 2013 HOEPA Final Rule. The 2013 HOEPA Final Rule, originally issued in January 2013, is effective January 10, 2014.

As outlined in the bulletin, the 2013 HOEPA Final Rule requires lenders to provide applicants for federally-related mortgages with a written list of HUD-approved housing counseling agencies. A lender may fulfill the requirement in one of two ways:

1. Generate the list from the CFPB's website, www.consumerfinance.gov/find-a-housing-counselor, which uses HUD data on HUD-approved counseling agencies, or
2. Generate the list within the lender's own system using the same HUD data that the CFPB uses on HUD-approved counseling agencies, in accordance with the CFPB's list instructions.

Regardless of method selected, only HUD-approved counseling agencies may appear on the list.

Lenders who prefer to adopt the second alternative should follow the instructions in the [Homeownership Counseling Organizations Lists Interpretive Rule](#), also published on November 8, 2013, which describes the data instructions for lenders to use in compiling the homeownership counseling list required by Section 1024.20(a)(1) of the RESPA Homeownership Counseling Amendments. The CFPB anticipates some lenders may not be able to provide the lists under the second alternative approach in time for the rule's January 10, 2014 effective date. Accordingly, while lenders are incorporating the list instructions into their systems, they may direct borrowers to the CFPB's [housing counseling agency website](#) to obtain a list of housing counselors. Model format and text is suggested on the second page of the bulletin. These steps, if taken by lenders in good faith while they are building their systems or are working with vendors to build systems, would achieve the goals of the regulation and would not raise supervisory or enforcement concerns.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information regarding supervisory expectations, please contact:

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