

VIRGINIA BANKERS ASSOCIATION

4490 Cox Road
Glen Allen, Virginia 23060

November 30, 2020

Via Federal eRulemaking Portal: <http://www.regulations.gov>

Comment Intake
Consumer Financial Protection Bureau
1700 G Street NW
Washington, D.C. 20552

Re: CFPB-2020-0026

Dear Director Kraninger:

The Virginia Bankers Association (“VBA”) represents banks of all sizes and charters and has served as the organized voice for Virginia’s \$615 billion banking industry and its 42 thousand employees since 1893. We appreciate the opportunity to comment on the Consumer Financial Protection Bureau’s (“CFPB”) request for information regarding the Equal Credit Opportunity Act (“ECOA”) and Regulation B.

The VBA commends the Bureau for seeking to create a regulatory environment that expands access to credit, helping ensure all consumers and communities are protected from discrimination in all aspects of a credit transaction, and developing approaches to address regulatory compliance challenges. The current CFPB practice of requiring that the final action on approved bank counteroffers to applications for credit that do not move to settlement be reported as declines of credit, as opposed to approved-not-accepted, should be amended. Banks often make counteroffers to consumers to ensure reasonable equity (CLTV limits) or the ability to repay the debt (e.g., the original debt to equity applied for is very high, so the bank makes a counteroffer for a lower loan amount to bring the debt to equity ratio within guidelines). From a Fair Lending perspective, a bank should receive the benefit of these ‘counteroffer approvals’ because it shows that the institution is working to provide credit to consumers. Further, “approved-not-accepted” is a standard Reg B/HMDA final action. We also recommend that the Bureau simplify Regulation B where possible. The complexity of the language and content present compliance challenges for smaller institutions.

Thank you for the opportunity to provide comments. If you have any questions, please feel free to contact me at 804-819-4701 or bwhitehurst@vabankers.org.

Sincerely,



Bruce T. Whitehurst
President & CEO