June 19, 2019

The Honorable Kathleen Kraninger  
Director  
Consumer Financial Protection Bureau  
1700 G St., NW  
Washington, DC  20552

Mark McArdle  
Assistant Director, Office of Mortgage Markets  
Consumer Financial Protection Bureau  
1700 G St., NW  
Washington, DC  20552

Dear Director Kraninger and Assistant Director McArdle,

Prosperity Now and the undersigned organizations are writing to express our strong condemnation of the Consumer Financial Protection Bureau’s (CFPB) recent decision to make mortgage data much less accessible to the public by removing Home Mortgage Disclosure Act (HMDA) Explorer and the Public Data Platform Application Programming Interface (API) from the CFPB website.

The Home Mortgage Disclosure Act (HMDA) was passed in 1975 to require lenders to publicly report and share information about the mortgage loans they make to “provide the citizens and public officials of the United States with sufficient information to enable them to determine whether depository institutions are filling their obligations to serve the housing needs of the communities and neighborhoods in which they are located.”

In fact, HMDA data is the primary way citizens, policymakers, journalists and academics determine which communities are receiving mortgage financing and under what terms and conditions. This uncovers disparities in how certain geographic areas are serviced and helps detect potentially discriminatory lending practices. For example, HMDA data analyzed by Reveal from the Center for Investigative Reporting shows that communities of color are more likely to be shut out of conventional mortgage financing than their white counterparts. At the same time, it can reveal when banks are meeting the banking needs of households in their service footprints.

This knowledge helps decision makers make targeted public investments and hold banks accountable for meeting their obligations. It also empowers the public by making them aware of the circumstances in their communities and provides them with data to advocate for a brighter and more secure future. Indeed, a community strengthens considerably when armed with concrete evidence that it is being underserved.

This is why HMDA Explorer and API are so critical. These online platforms translate raw mortgage data into a readily understandable language that makes sense to the average citizen, not just academics and

regulators. It also makes the data more accessible to journalists, who can use their power to spread awareness about trends in the mortgage market and what that means for different regions or groups.

Given this, we are alarmed that the CFPB would remove these technology platforms without an adequate replacement that would perform the same function. This move confines the data to those policymakers and scholars who have the quantitative tools to analyze raw loan-level mortgage data. As a result, the average citizen is disempowered and much less able to advocate for themselves and their communities.

Taking away these platforms is an undemocratic action that goes against the express intent of HMDA to provide citizens with the information they need to determine whether banks are meeting their obligations to provide these households with adequate financial products and services. The proposal also undermines the marketplace, as good data is essential for consumers, organizations and governments to make informed economic decisions. As such, we urge the CFPB to reverse course immediately by reinstating Home Mortgage Disclosure Act (HMDA) Explorer and the Public Data Platform Application Programming Interface (API).

Sincerely,

Doug Ryan
Senior Director of Affordable Homeownership
Prosperity Now

BCL of Texas
Beacon Interfaith Housing Collaborative
Branches, Inc.
Building Skills Partnership
CAMEO
CASA of Oregon
The Community Empowerment Fund
Community Financial Resources
Delaware Community Reinvestment Action Council, Inc.
The Financial Clinic
Foremost Community Development Corporation
Huntington National Bank
Mobil County Club Home Owner’s Association
National Association for Latino Community Asset Builders
National Consumer Law Center (NCLC)
A New Leaf
RESULTS
Total Community Action
United Way of Passaic County
United Ways of Southwestern PA