

April 17, 2025

The Honorable Tim Scott
Chairman
Committee on Banking, Housing & Urban Affairs
United States Senate
Washington, D.C. 20510

The Honorable French Hill
Chairman
Committee on Financial Services
United States House of Representatives
Washington, D.C. 20515

The Honorable Elizabeth Warren
Ranking Member
Committee on Banking, Housing & Urban Affairs
United States Senate
Washington, D.C. 20510

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
United States House of Representatives
Washington, D.C. 20515

Dear Chairmen Scott and Hill and Ranking Members Warren and Waters:

The undersigned groups, representing a diverse set of housing and financial services stakeholders and advocates, are writing to express our strong support for the reintroduction of the bicameral, bipartisan *Homebuyers Privacy Protection Act* (S. 1467 and H.R. 2808, respectively), as offered by Senators Bill Hagerty (R-TN) and Jack Reed (D-RI) and Representatives John Rose (R-TN) and Ritchie Torres (D-NY). This important consumer protection legislation, if enacted, would curb the abusive use of mortgage credit “triggers leads” in all but a limited set of circumstances. As you know, substantially similar legislation passed the Senate by Unanimous Consent last year. We urge you to support this carefully crafted proposal and to take appropriate steps to advance the two bills through your respective committees as soon as feasible.

Trigger leads occur when a consumer applies for a mortgage (both purchase and refinance loans) and the requisite inquiry to a credit reporting agency (“CRA”) by a lender notifies the CRA that the consumer is interested in home financing. This trigger lead is then sold to data brokers (including other lenders) without the consumer's knowledge or approval. Consumers may then be contacted (by phone, text, or mail) by the other parties that have purchased the trigger leads.

Under the Fair Credit Reporting Act (FCRA), CRAs are permitted by law to resell consumer information to prospective creditors without the consumer's permission if the prospective creditor is prepared to make that consumer a "firm offer of credit." The offer of credit must include a notification to the consumer informing them of the right to “opt out” of receiving future prescreened offers of credit or other solicitations, but these opt-out disclosures are not required in cases of phone solicitations and offers.

Entities that have no relationship with the consumer are buying trigger leads as soon as a customer applies for a mortgage – and then bombarding the applicant with hundreds of confusing calls that seek to lure them away from their chosen lenders. Naturally, consumers often call to complain to the mortgage lender they have chosen, accusing that company of selling their data.

Under current law, the burden is on the consumer to opt-out – for five years beginning five business days after the date the consumer notifies the CRA of that election – and thus negate the ability for the CRAs to sell individual information as a trigger lead.

Six months after the enactment of the bill, trigger leads would be permissible under the FCRA **only in limited circumstances** during a real estate transaction and **only to provide a firm offer of credit**. A CRA would not be able to furnish a trigger lead to a third party unless the third party has certified to the CRA that either: the consumer explicitly consents to such solicitations; it has originated the current residential mortgage loan of the consumer; is the servicer of the current residential mortgage loan of the consumer; or is an insured depository institution or insured credit union and holds a current account for the consumer.

In short, the *Homebuyers Privacy Protection Act* would stop the abusive use of trigger leads – while narrowly preserving them for legitimate, transparent, and accountable uses. We urge you to support this bipartisan solution for consumers and promptly advance this commonsense proposal through your respective committees. We look forward to our continued work together on this important issue.

Sincerely,

American Bankers Association
America's Credit Unions
Broker Action Coalition
Center for Responsible Lending
Community Home Lenders of America
CONSUMER ACTION
Consumer Federation of America
Housing Policy Council
Independent Community Bankers of America
Leading Builders of America
Mortgage Bankers Association
National Association of Home Builders
National Association of Mortgage Brokers
NATIONAL ASSOCIATION OF REALTORS®
National Consumer Law Center (on behalf of its low-income clients)
National Housing Conference
USPIRG

cc: All Members, Senate Committee on Banking, Housing & Urban Affairs
All Members, House Committee on Financial Services