



March 12, 2024

The Honorable Sen. Jack Reed
728 Hart Senate Office Building
Washington, DC 20510

RE: Homebuyers Privacy Protection Act of 2024 (S. 3502)

Dear Senator Reed:

On behalf of Rhode Island's credit unions, the Cooperative Credit Union Association, Inc. ("Association") appreciates the opportunity to express our support for your sponsored legislation, the *Homebuyers Privacy Protection Act of 2024*, which you recently introduced in the Senate as S. 3502. The Association is the state trade association representing approximately 200 state and federally-chartered credit unions located in the states of Delaware, Massachusetts, New Hampshire, and Rhode Island, which further serve over 3.6 million consumer members.

The *Homebuyers Privacy Protection Act of 2024* would help protect credit union members and other consumers by curbing the abuse of mortgage "trigger leads." Currently, unless a consumer has previously opted out, trigger leads occur when a credit union or other financial institution informs a credit reporting agency (CRA) that the consumer has applied for mortgage credit, and the CRA sells that information to data brokers and competing mortgage lenders without the consumer's knowledge or approval.

Competing mortgage lenders then often contact the consumer by phone, text and/or mail, leading to consumers receiving unwanted and confusing cold calls and other communications from lenders they have no relationship with. Credit union members often complain to their credit union about such cold calls and other unexpected solicitations even though the CRA—not the credit union—is the entity that sold the consumer's information.

S. 3502, if enacted, would help curb these abuses by amending the Fair Credit Reporting Act to allow trigger leads only in limited circumstances, such as if the individual is already a member of a particular credit union or an existing customer of a particular bank, or if the consumer explicitly consents to such solicitations from other lenders. The *Homebuyers Privacy Protection Act of 2024* would therefore stop the abuse of trigger leads while preserving them for situations that benefit the consumer, including when the consumer is already a member of a not-for-profit credit union that can offer a better deal.

We strongly support this sensible piece of consumer protection legislation. If you have any questions or desire further information, please do not hesitate to contact the Association at (508) 481-6755 or govaff-reg@ccua.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald McLean", written in a cursive style.

Ronald McLean
President/CEO
Cooperative Credit Union Association, Inc.
rmclean@ccua.org

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