



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

DIVISION OF CONSUMER AND
COMMUNITY AFFAIRS

CA 18-9

December 7, 2018

**TO THE OFFICERS AND MANAGERS IN CHARGE OF CONSUMER AFFAIRS
SECTIONS:**

Applicability to Community Banking Organizations: This guidance applies to all institutions supervised by the Federal Reserve, including those with total consolidated assets of \$10 billion or less.

SUBJECT: Designated Home Mortgage Disclosure Act Key Data Fields

The Board of Governors of the Federal Reserve System (Board), working in consultation with the Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (OCC), has developed updated information regarding the Home Mortgage Disclosure Act (HMDA) key data fields that Federal Reserve examiners use in connection with validating the accuracy of HMDA data collected since January 1, 2018 pursuant to the Bureau of Consumer Financial Protection's (Bureau) October 15, 2015 and August 24, 2017 amendments to Regulation C (Home Mortgage Disclosure) and the Economic Growth, Regulatory Relief, and Consumer Protection Act's (EGRRCPA) May 24, 2018 amendments to HMDA.¹

HMDA and Regulation C require certain depository institutions and for-profit non-depository institutions to collect, report, and disclose data about originations and purchases of mortgage loans as well as mortgage loan applications that do not result in originations. Section 1094 of the Dodd-Frank Wall Street Reform and Consumer Protection Act transferred rulemaking authority for HMDA to the Bureau, effective July 2011; amended HMDA to require collection, recording, and reporting of new data points; and authorized the Bureau to require additional information from covered institutions.²

The Bureau issued an August 31, 2018 interpretive and procedural rule to implement and clarify the EGRRCPA amendments to HMDA, which provide partial exemptions for some insured depository institutions and insured credit unions from certain HMDA requirements.³ The partial exemptions are generally available to insured depository institutions and insured

¹ See 80 FR 66127 (October 28, 2015); 82 FR 43088 (September 13, 2017); Pub. L. 115-174, 132 Stat. 1296 (2018), section 104(a) (codified at 12 U.S.C. 2803).

² Pub. L. 111-203, 124 Stat. 1376 (2010).

³ 83 FR 45325 (September 7, 2018).

credit unions: (1) for closed-end mortgage loans, if the institution originated fewer than 500 closed-end mortgage loans in each of the two preceding calendar years; and (2) for open-end lines of credit, if the institution originated fewer than 500 open-end lines of credit in each of the two preceding calendar years. For closed-end mortgage loans or open-end lines of credit subject to the partial exemptions, those institutions are exempt from the collection, recording, and reporting requirements for 26 of the 48 data points specified in current Regulation C, but remain responsible for collecting, recording, and reporting the remaining 22 data points.

In October 2017, the Board, the FDIC, and the OCC designated 37 HMDA data fields as “HMDA key data fields” because they collectively determined those fields to be most critical to the integrity of the analyses of overall HMDA data.⁴ The HMDA key data fields do not affect an institution’s collection, recording, and reporting obligations. Rather, they are used in conjunction with the Federal Financial Institutions Examination Council (FFIEC)⁵ sampling, verification, and resubmission procedures (FFIEC HMDA Examiner Transaction Testing Guidelines) for HMDA data collected from January 1, 2018 onward, which were transmitted with CA 17-2.⁶ Once examiners have selected a random sample of entries from an institution’s HMDA Loan Application Register (HMDA LAR) and have received the corresponding loan files, they would verify the accuracy of the applicable HMDA key data fields in the entries in the HMDA LAR sample(s) against information in the loan files.⁷

For institutions eligible for a partial exemption, the partial exemption covers 16 of the HMDA key data fields, which means that only 21 of the 37 designated HMDA key data fields remain among the data fields that they are responsible for collecting, recording, and reporting.⁸

The FFIEC members are currently developing a comprehensive set of revised interagency HMDA examination procedures regarding HMDA requirements relating to data collected from January 1, 2018 onward. The FFIEC HMDA Examiner Transaction Testing Guidelines and the HMDA key data fields will be incorporated into those revised examination procedures.

With regard to HMDA data collected prior to January 1, 2018, Reserve Banks will continue to examine financial institutions pursuant to the interagency HMDA examination procedures transmitted with CA 09-10 and the HMDA sampling and resubmission procedures (including legacy HMDA key data fields) transmitted with CA 04-4.

⁴ See CA 17-3.

⁵ The FFIEC members are the Board, the Bureau, the FDIC, the National Credit Union Administration, the OCC, and the State Liaison Committee.

⁶ Although the FFIEC HMDA Examiner Transaction Testing Guidelines themselves do not establish key data fields, they state that supervisory agencies may establish a HMDA data sampling process that prioritizes designated fields for review.

⁷ However, consistent with the FFIEC HMDA Examiner Transaction Testing Guidelines, there may be certain circumstances in which Board and Reserve Bank staff determine that it is necessary to review additional HMDA data fields.

⁸ As indicated in the Bureau’s interpretive and procedural rule, institutions subject to a partial exemption may optionally report HMDA data covered by that partial exemption.

If you have any questions, please contact Amal Patel, Counsel, at (202) 912-7879, or Meghan Karellas, Acting Manager, at (202) 736-5536. In addition, questions may be sent via the Board's public website.⁹

Sincerely,

Suzanne Killian
Senior Associate Director

Attachment:

- Designated Home Mortgage Disclosure Act (HMDA) Key Data Fields

Cross-references:

- CA 18-6 “Statement on the Implementation of the Economic Growth, Regulatory Relief, and Consumer Protection Act Amendments to the Home Mortgage Disclosure Act” (July 5, 2018)
- CA 17-4 “Expectations for Supervised Institutions Regarding Amended Regulation C” (December 21, 2017)
- CA 17-2 “Revised Interagency Home Mortgage Disclosure Act Sampling, Verification, and Resubmission Procedures” (August 22, 2017)
- CA 09-10 “Revised Interagency Examination Procedures for the Home Mortgage Disclosure Act” (October 1, 2009)
- CA 04-4 “Revised HMDA Examination, Sampling and Resubmission Procedures and Notification of Availability of HMDA Questions and Answers” (June 30, 2004)

Supersedes:

- CA 17-3 “Designated Home Mortgage Disclosure Act Key Fields” (October 17, 2017)

⁹ See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.