



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

ERIC S. BELSKY
DIRECTOR
DIVISION OF CONSUMER AND
COMMUNITY AFFAIRS

CA 17-4

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**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: Expectations for Supervised Institutions Regarding Amended Regulation C

This letter provides guidance on the Federal Reserve Board's supervisory expectations in connection with early examinations of Board-supervised institutions for compliance with the Consumer Financial Protection Bureau's (Bureau) October 15, 2015 and August 24, 2017 amendments to Regulation C (Home Mortgage Disclosure), which implements the Home Mortgage Disclosure Act (HMDA).¹

Recognizing the impending January 1, 2018 effective date of the Bureau's amendments to Regulation C and the significant systems and operational challenges needed to adjust to the revised regulation, for HMDA data collected in 2018 and reported in 2019 the Federal Reserve does not intend to require data resubmission unless data errors are material. Furthermore, the Federal Reserve does not intend to assess penalties with respect to errors in data collected in 2018 and reported in 2019. Collection and submission of the 2018 HMDA data will provide financial institutions an opportunity to identify any gaps in their implementation of amended Regulation C and make improvements in their HMDA compliance management systems for future years. Any examinations of 2018 HMDA data will be diagnostic to help institutions identify compliance weaknesses and will credit good faith compliance efforts.

For data collected in 2017, financial institutions will submit their reports in 2018 in accordance with the current Regulation C using the Bureau's HMDA Platform.

¹ See 80 FR 66127 (October 28, 2015); 82 FR 43088 (September 13, 2017).

If you have any questions, please contact Amal Patel, Senior Supervisory Consumer Financial Services Analyst, at (202) 912-7879, or Tim Robertson, Manager, at (202) 452-2565. In addition, questions may be sent via the Board's public website.²

Sincerely,

² See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.