HMDA HIGHLIGHTS: NEW RULES FOR 2018 AND BEYOND

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Filing the HMDA LAR annually often seems like a Rite of Passage. Most filers vacillate between dread and certitude in their evaluation of the data integrity, let alone enduring the stress of submitting the report by the deadline. The acronyms HMDA LAR refer (of course) to the Loan Application Register (LAR) of the Home Mortgage Disclosure Act (HMDA or "Act") and its implementing Regulation C ("Regulation"). By the way, the HMDA acronym is pronounced "hummda" – not "himmda". Each year about this time, we get a lot of calls for HMDA support, especially in LAR preparation and filing. In the last few years, changes in filing requirements seem to have pushed filers to the point of reaching for the bottle (of Maalox). But the filing requirements are not that complicated, though they are now more involved in obtaining data and include partial exemptions (more on that later).

If you don't think HMDA data is all that important except to the PhD's at the Federal Reserve, you should spend some time with financial institutions who have undergone fair lending examinations. One of the first data sets a regulator asks for in a fair lending audit happens to be the HMDA LAR. The data is used to help identify possibly discriminatory lending patterns, and compliance with the Equal Credit Opportunity Act, the Fair Housing Act, and the Community Reinvestment Act. Inaccurate HMDA data can make it difficult for the public and regulators to discover and stop discrimination in home mortgage lending or for public officials and lenders to tell whether a community's credit needs are being met. Yet I was told by a senior executive that there is nothing to be concerned about these days, given that under the current Administration there has been a reduction of regulatory enforcement. The same person told me that regulators have been advised to go easy on examinees. So, that means you can get away with lowering the compliance bar. After all, less enforcement means less worries, right? Wrong!

The bird of compliance flies on two wings: examination and enforcement. Examination is intrinsic to supervision; and enforcement is intrinsic to ensuring implementation of the regulatory framework. If an examiner finds violations and defects, administrative actions can ensue. If you want to be a test case, go ahead, tempt the devil, see what happens! In compliance, virtually all transactions and policies leave tracks. If "don't get caught" is your game plan, I am going to tell you straight-out that you will get caught. Any creditor that fails to comply with a requirement imposed by the Act or the Regulation is subject to civil liability for actual and punitive damages in individual or class actions.[1] Violations of the Act or the Regulation also constitute

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violations of other federal laws. The civil monetary penalties can be onerous! Last year a financial institution was ordered to pay a civil money penalty of $1.75 million for persistent and substantial reporting errors.[2] Liability for punitive damages can apply only to nongovernmental entities and is limited to $10,000 in individual actions and the lesser of $500,000 or 1 percent of the creditor's net worth in class actions.[3] There is not only equitable and declaratory relief but also the awarding of costs and reasonable attorney fees to an aggrieved applicant in a successful action.[4] Still want to tempt the devil?

When it comes to HMDA, a financial institution must make a good faith effort to record all data concerning covered transactions fully and accurately within 30 days after the end of each calendar quarter.[5] The concept of "good faith" is a feature of many statutes, but the notion comes down to a simple idea: if you operate on the basis of a positive commitment to fulfill the terms and spirit of a regulation, yet despite doing so you still had some defects in implementation, regulators will take this into consideration in determining administrative actions. How would you prove such good faith? Just show the regulator the compliance tracks which support your actions and best efforts.

A financial institution is not required to record all of its HMDA data for a quarter on a single LAR. Instead, an institution may record data on a single LAR or may record data on one or more LARs for different branches or different loan types (such as home purchase loans, home improvement loans, and loans on multifamily dwellings).

A financial institution may maintain its quarterly records in electronic or any other format, provided it can make the information available to the regulatory agency in a timely manner upon request.[6]

Whatever the case, institutions must submit their LARs to their regulatory agencies by March 1st following the calendar year for which they are reporting.[7] The required data requested on the LAR must be entered for each loan origination, each application acted on, and each loan purchased during the calendar year.[8] An application must be reported in the year when final action is taken. Originations must be reported in the year they close; if an application has been approved but not yet closed, it must be reported the next year.[9]

Beginning in 2020, quarterly reporting is required for institutions that reported a combined total of at least 60,000 applications and covered loans in the preceding calendar year (excluding purchased covered loans). In addition to their annual LAR, these institutions must submit HMDA data for the first three quarters of the year on a quarterly basis, with the first submission due May 30, 2020. These institutions must submit the data within 60 calendar days after the end of each calendar quarter except the last quarter.[10]

For instance, in calendar year 2019, if a financial institution reports 60,000 covered loans, excluding purchased covered loans, it must comply with the quarterly reporting requirement during 2020. Similarly, for calendar year 2019, if a financial institution reported 20,000 applications and 40,000 covered loans, combined, excluding purchased loans, it must comply with quarterly reporting in 2020. But, for calendar year 2020, if a financial institution reports fewer than 60,000 covered loans and applications, combined, excluding purchased loans, it would not be required to file quarterly reports in 2021.

By the way, I am often asked about the last day to file the HMDA LAR if the deadline falls on a weekend. The answer is, when the last day of submission falls on a Saturday or Sunday, a submission is considered timely if it is submitted on the next succeeding Monday.[11]

Now let's go to the electronic format requirements. For some reason, people are usually spooked by these requirements, especially the intricacies of ensuring data integrity. But such worries are overblown. After all, there is plenty of software around that is already set up to handle the data reporting requirements. Even the Federal Financial Institutions Examination Council (FFIEC) provides very good HMDA software tools.[12] The Consumer Financial Protection Bureau (CFPB or "Bureau") has a website page with resources for filers.[13]

My firm has an entire group devoted to HMDA data collection reviews, scrubbing for accuracy, and fair lending risk assessments. We come across the data gathering complexities all the time. The big problem is this: garbage in, garbage out! Whatever the software, and whatever the expertise you retain, such as Lenders Compliance Group, it is critical to

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make sure the data in the loan origination system is accurate. Otherwise, you will be left with all sorts of mismatches and edits, and may also need to conduct a HMDA scrub.

Beginning January 1, 2019 for data collected in 2018, a financial institution must submit its data electronically in the format prescribed by the CFPB at www.consumerfinance.gov/hmda.

Let me now zoom in to some basics for data collection. Effective January 1, 2019, a financial institution must provide the following basic information in an electronic transmittal sheet with its submission:

- Its name;
- The calendar year, or calendar quarter and year, the submission covers;
- The name and contact information of a person who may be contacted with questions about the submission;
- Its appropriate Federal agency;
- The total number of entries contained in the submission;
- Its Federal taxpayer identification number; and,
- Its Legal Entity Identifier (LEI).[14]

If you do not know about the Legal Entity Identifier, you might want to check out my White Paper, *Legal Entity Identifiers and HMDA 2018, Questions and Answers,* available in the Articles section of the Lenders Compliance Group's website (www.lenderscompliancegroup.com).[15] You might also be interested in my Magazine Article, *Home Mortgage Disclosure Act – Big Changes on the Way!*,[16] published by National Mortgage Professional Magazine, also available at my firm's website.

As usual, FFIEC publishes an excellent guide to HMDA data collection and filing, called *A Guide to HMDA Reporting: Getting It Right!* It was last edited on January 31, 2018 and may be used for reports to be submitted by March 1, 2019.[17]

Beginning with data collected in 2017, LARs must be submitted in a "pipe" (also referred to as a "vertical bar") delimited text file format. This means: (1) each data field within each row must be separated with a pipe character ("|"); (2) zeros need not be added for the sole purpose of making a data field a specific number of characters; and (3) the LAR must be a text file with a .txt file format extension.

Text entries in alphanumeric fields do not need to use all uppercase letters, with the exception of "NA" when a reporting requirement is not applicable, and the two letter state codes.

As in the past, the first row of the LAR must begin with the numeral "1" to indicate that the data fields in row one contain information relating to the particular institution (that is, the transmittal sheet), all subsequent rows of the LAR will begin with the numeral "2" to indicate that the data fields beginning in row two contain data fields for the LAR with information relating to the reported loan or application, and each row must end with a carriage return.

Let's now zoom out a little more to some high points regarding the submitting of the HMDA LAR.

There are new rules for mergers or acquisitions. If the merger or acquisition takes place in the calendar year, effective January 1, 2019 the surviving or newly formed financial institution must file quarterly reports, effective the date of the merger or acquisition, if a combined total of at least 60,000 covered loans and applications, combined, excluding purchased loans, is reported for the preceding calendar year by or for the surviving or newly formed financial institution and each financial institution or branch office merged or acquired. For instance, let's say, in 2020, financial institution A and financial institution B merge to form financial institution C. Financial institution A reports 40,000 covered loans and applications, combined, excluding purchased loans, for 2019. Financial institution B reports 21,000 loans and applications, combined, excluding purchased loans, for 2019. Financial institution C is not required to file quarterly reports, effective the date of the merger. Similarly, for example, in 2020, financial institution A acquires a branch office of financial institution B. Financial institution A reports 58,000 loans and applications, combined excluding purchased loans, for 2019. Financial institution B reports 3,000 loans

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and applications, combined, excluding purchased loans, for 2019 for the branch office acquired by Financial institution A. Financial institution A is required to file quarterly reports in 2020 effective the date of the branch acquisition.

The year following a merger or acquisition also has filing rules to follow. Effective January 1, 2019, in the calendar year following a merger or acquisition, the surviving or newly formed financial institution must file quarterly reports if a combined total of at least 60,000 loans and applications, combined, excluding purchased loans, was reported for the preceding calendar year by or for the surviving or newly formed financial institution and each financial institution or branch officer merged or acquired. For instance, in 2019, financial institution A and financial institution B merge to form financial institution C. Financial institution C reports 21,000 loans and applications, combined, excluding purchased loans, each for financial institution A, B, and C for 2019, for a combined total of 63,000 loans and applications. Financial institution C is required to file quarterly in 2020. Similarly, financial Institution A may report 58,000 loans and applications, combined, excluding purchased loans, for 2019. Financial institution A or B reports 3,000 loans and applications, combined, excluding purchased loans, for 2019 for the branch office acquired by Financial institution A. Financial institution A is required to file quarterly in 2020.

By the way, if there is a change in the regulator as a result of a merger or acquisition, there are important rules. If the appropriate Federal agency for a financial institution changes (for instance, as a consequence of a merger or a change in the institution's charter),[18] the institution must identify the new appropriate Federal agency in its LAR for the year of the change. Here would be a typical scenario: if an institution's Federal agency changes in February 2018, it must identify the new agency beginning with the annual submission of its 2018 data by March 1, 2019. An institution subject to quarterly reporting must identify its new agency beginning with its submission for the quarter of the change, unless the change occurs during the fourth quarter. Thus, if the agency changes during February 2020, the institution must identify its new agency beginning with its quarterly submission for the first quarter of 2020. On the other hand, if the agency changes during December 2020, the institution must identify the new agency beginning with the annual submission of its 2020 data by March 1, 2021.

With regard to the Legal Entity Identifier associated with a merger or acquisition, effective January 1, 2019, Regulation C requires a financial institution to provide its Federal Taxpayer Identification Number with its data submission. If a financial institution obtains a new number, it should provide the new number in its subsequent data submission. For example, if two financial institutions that previously reported HMDA data merge and the surviving institution retained its Legal Entity Identifier, the LEI, but obtained a new Federal Taxpayer Identification Number, the surviving institution should report the new Federal Taxpayer Identification Number with its HMDA data submission.

One other point, with respect to defining subsidiaries. A financial institution is a subsidiary of a bank or savings association, for purposes of reporting HMDA data to the same agency as the parent, if the bank or savings association holds or controls an ownership interest in the institution greater than 50 percent.

The financial institution should be prepared to retain its HMDA LAR for not less than three years in an electronic or paper form. Said otherwise, effective January 1, 2019, a financial institution may satisfy the requirement to retain a copy of its annual LAR for 3 years by retaining a copy of the LAR in either electronic or paper form.

Let me clear up some confusion caused by a CFPB announcement on December 21, 2017, which advised that it did not intend to require data resubmission for HMDA data collected in 2018 (under the revised rules that took effect on January 1, 2018) and reported in 2019 "unless data errors are material." Perhaps the way to understand this issuance is that the Bureau does not intend to assess penalties with respect to errors in data collected in 2018 and reported in 2019. In effect, the Bureau seems to be viewing 2018 as a practice year that 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." However, the subject issuance states that "the Bureau does not intend to require financial institutions to resubmit data *unless data errors are material*, or to pay penalties with respect to data errors." [Emphasis added.] Note the weasel word "intend." And note, also, the wiggle room the Bureau leaves itself on resubmissions by inserting the caveat "unless data errors are material." Such a position is what horse races and lawsuits are made of![19]

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There has been some controversy about how to understand the partial exemptions. The 2015 HMDA Final Rule ("Rule"), which amended the Regulation, established a new reporting exclusion and optional reporting for certain transactions and data points, and it clarified certain key terms defined in the Rule.[20] The Rule established transactional thresholds to determine whether a financial institution is required to collect and report data on open-end lines of credit or closed-end mortgage loans, implemented the new data points specified in the Dodd-Frank Act ("Dodd-Frank"), added additional data points using the Bureau's Dodd-Frank authority, and made revisions to pre-existing data points, among other changes. The Bureau further amended Regulation C in August 2017 ("2017 HMDA Final Rule") to temporarily increase the threshold for open-end lines of credit to 500 for calendar years 2018 and 2019 and make certain clarifications and other changes. On May 24, 2018, the President signed the Act into law.[21] Keep this date of May 24, 2018 in mind, as this is the date on which the amended Act was made official, adding partial exemptions from HMDA's requirements for certain transactions made by certain insured depository institutions and insured credit unions. For the sake of clarity, I will call this final amendment the "2018 Rule."

The 2018 Rule set forth several changes, whose highlights I will enumerate, as follows:

1. Adds partial exemptions from HMDA's requirements for certain transactions made by certain insured depository institutions and insured credit unions.
2. Provides that an insured depository institution or insured credit union does not need to collect or report certain data with respect to closed-end mortgage loans if it originated fewer than 500 closed-end mortgage loans in each of the two preceding calendar years.
3. Provides that an insured depository institution or insured credit union does not need to collect or report certain data with respect to open-end lines of credit if it originated fewer than 500 open-end lines of credit in each of the two preceding calendar years.
4. Provides that these partial exemptions are unavailable to an insured depository institution if it received a rating of "needs to improve record of meeting community credit needs" during each of its two most recent Community Reinvestment Act (CRA) examinations or a rating of "substantial noncompliance in meeting community credit needs" on its most recent CRA examination.[22]

The CFPB provided clarification of the 2018 HMDA requirements with respect to partial exemptions.[23] The guidance clarifies that, for purposes of the partial exemptions, "closed-end mortgage loan" and "open-end line of credit" mean only those loans or lines of credit that would otherwise be reportable under HMDA.[24] Such loans are counted towards the respective thresholds to determine whether an insured depository institution or insured credit union's closed-end mortgage loans or open-end lines of credit qualify for a partial exemption. An insured depository institution or insured credit union must have originated fewer than 500 closed-end mortgage loans in each of the two preceding calendar years for its closed-end mortgage transactions to qualify for the partial exemption. Likewise, an insured depository institution or insured credit union must have originated fewer than 500 open-end lines of credit in each of the two preceding calendar years for its open-end lines of credit transactions to qualify for the partial exemption.[25]

An insured depository institution or insured credit union has the option to voluntarily report exempt data points for transactions that qualify for a partial exemption. An insured depository institution or insured credit union that opts to voluntarily report an exempt data point must report all data fields that the specific data point comprises.[26]

In any event, the Bureau seems to recognize there are going to be transition issues. The 2018 Rule applies to data collected or reported under HMDA on or after May 24, 2018. An insured depository institution or insured credit union that is eligible for a partial exemption for a transaction does not need to collect exempt data points on or after May 24, 2018. Additionally, such institutions are not required to report certain data that may have been collected on or before May 24, 2018. For instance, if an insured depository institution is eligible for a partial exemption for its closed-end mortgage loans and the institution collected data for its closed-end mortgage loans prior to May 24, 2018, the institution is not required to report in 2019 any data covered by the partial exemption for its closed-end mortgage loans. [27] As mentioned above, an insured depository institution or insured credit union may opt to voluntarily report data that is covered by a partial exemption.

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If you want to review the HMDA Data Points that are or are not covered by partial exemptions, I would refer you to the Filing Instructions Guide.[28] However, the reporting requirements under the Regulation, as amended by the 2015 HMDA Final Rule and 2017 HMDA Final Rule, remain unchanged for these data points.

The wheels of HMDA continued to turn right up to December 21, 2018, when the Bureau issued final policy guidance describing modifications that the Bureau is going to apply to the loan-level data that financial institutions report *prior* to its disclosure to the public. This final policy guidance, which I will dub "2018 Final HMDA Rule," applies to HMDA data compiled by financial institutions in or after 2018. [29] The main purpose of the issuance is to notify whether and how HMDA data should be modified in order to protect applicant and borrower privacy while also fulfilling HMDA's public disclosure purposes.

In other words, certain HMDA data will be excluded from the public-facing report. Additionally, the publicly available information will disclose certain information with "reduced precision,"[30] for instance, by disclosing ranges rather than specific values for an applicant's age, the amount of the loan, and the number of units in the dwelling.[31]

To accomplish this modification, the Bureau is changing the proposed treatment of the following data fields:

> (1) the ratio of the applicant's or borrower's total monthly debt to the total monthly income relied on in making the credit decision;
> (2) the number of individual dwelling units related to the property securing the covered loan or, in the case of an application, proposed to secure the covered loan; and
> (3) the number of individual dwelling units related to the property securing the covered loan or, in the case of an application, proposed to secure the covered loan, that are income-restricted pursuant to Federal, State, or local affordable housing programs.

Thus, the Bureau will be modifying the public loan-level HMDA data to exclude:

> (1) the universal loan identifier or non-universal loan identifier;
> (2) the date the application was received or the date shown on the application form;
> (3) the date of action taken by the financial institution on a covered loan or application;
> (4) the address of the property securing the covered loan or, in the case of an application, proposed to secure the covered loan;
> (5) the credit score or scores relied on in making the credit decision;
> (6) the unique identifier assigned by the Nationwide Mortgage Licensing System and Registry (NMLS) for the mortgage loan originator; and
> (7) the result generated by the automated underwriting system used by the financial institution to evaluate the application.[32]

Additional exclusions are the free-form text fields used to report the following data: (1) applicant or borrower race; (2) applicant or borrower ethnicity; (3) the name and version of the credit scoring model used; (4) the principal reason or reasons the financial institution denied the application, if applicable; and (5) the automated underwriting system name.

With respect to the reduced precision,[33] modification of the public loan-level HMDA data will be accomplished by reducing the precision of most of the values reported for the following data fields. For instance, the Bureau will modify the amount of the loan or the amount applied for by disclosing the midpoint for the $10,000 interval into which the reported value falls. Another modification would involve the age of an applicant or borrower by binning reported values into categorical ranges.[34]

There will be a modification to the reporting of the DTI ratio, the total monthly debt to the total monthly income, which is relied on in making the credit decision. No change will take place for values greater than or equal to 36 percent and less than 50 percent; however, there the Bureau will bin reported values into the following ranges: 20 percent to less than 30 percent; 30 percent to less than 36 percent; and 50 percent to less than 60 percent; bottom-code reported values under 20 percent; and top-code reported values of 60 percent or higher.[35]

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With respect to the value of the property securing a covered loan or, in the case of an application, proposed to secure a covered loan, the Bureau will disclose the midpoint for the $10,000 interval into which the reported value falls. The number of individual dwelling units related to the property securing a covered loan or, in the case of an application, proposed to secure a covered loan, the Bureau will bin reported values into the following ranges: 5 to 24; 25 to 49; 50 to 99; 100 to 149; and 150 and over.[36]

Finally, with respect to the number of individual dwelling units related to the property securing a covered loan or, in the case of an application, proposed to secure a covered loan, if these are income-restricted pursuant to Federal, State, or local affordable housing programs, the Bureau will disclose reported values as a percentage, rounded to the nearest whole number, of the value reported for the total number of individual dwelling units related to the property securing the covered loan.[37]

Obviously, in matters involving individual privacy versus the public's need to know, there is often going to be a trade-off. The Bureau's issuance, for instance, contemplates the risk that a potential adversary, such as an applicant's or borrower's neighbor or acquaintance, may be able to re-identify the HMDA data by relying on personal knowledge about the applicant or borrower. We should not lose sight of the purpose of HMDA: it is a disclosure statute – public disclosure of HMDA data is central to the achievement of HMDA's goals.[38] The reality is, these modifications to the loan-level HMDA data disclosed to the public do not completely eliminate privacy risks. So, the trade-off is to offer the public a broad notion of the loan-level data as a heuristic to reducing privacy risks to individual applicants and borrowers.

The rationalization is based on the view, relied upon by the Bureau, that public loan-level HMDA data have always displayed a high level of record uniqueness and included fields that are also found in identified public records.[39] Given this premise, the Bureau appears to believe that some degree of re-identification risk in connection with the public disclosure of the data is acceptable, because HMDA requires the Bureau to consider not only the risk posed by disclosure but also the benefits of disclosure to HMDA's purposes. Consequently, the initiative seems to endeavor a balance between privacy risk, such as re-identification, and the disclosure benefits to the public.

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[1] 12 CFR 202.16(b); see also the Act §§ 702(g), 706(a), and 706(b)

[2] In the Matter of Nationstar Mortgage LLC, Consent Order, Administrative Proceeding, File No. 2017-CFPB-0011, Consumer Financial Protection Bureau

[3] See §§ 702(g), 704(b), 704 (c), and 704 (d) of the Act

[4] § 706(c) and § 706(d), respectively

[5] Regulation C, 12 C.F.R. § 1003.4(a). Other State or Federal regulations may require a financial institution to record its data on a LAR more frequently. See Regulation C Commentary 4(f)-2.

[6] Regulation C, 12 C.F.R. § 1003.4(f) and Regulation C Commentary 4(f)-1 and-3

[7] Regulation C, 12 C.F.R. § 1003.5(a)

[8] Regulation C, 12 C.F.R. § 1003.4(a)

[9] Regulation C Commentary, 12 C.F.R. § 1003.4(a)–1(v) and 4(a)(1)-5.

[10] In April 2017, the CFPB proposed numerous technical revisions to Regulation C to reflect the fact that this quarterly reporting requirement was not scheduled to take effect until 2020. See Federal Register 19142, 19162 (April 25, 2017).

[11] Regulation C, 12 C.F.R. §§ 1003.5(a)(1)(ii)–(iii)

[12] See CRA/HMDA Software Downloads at https://www.ffiec.gov/software/software.htm. Each software version is year-specific.

[13] See Resources for HMDA Filers at https://www.consumerfinance.gov/data-research/hmda/for-filers.

[14] Regulation C, 12 C.F.R. § 1003.5(a)(3)

[15] Legal Entity Identifiers and HMDA 2018, Questions and Answers, Foxx, Jonathan, April 7, 2017, available in Articles section of www.lenderscompliancegroup.com.

[16] *Home Mortgage Disclosure Act: Big Changes on the Way*, Foxx, Jonathan, published in the December 2015 edition of National Mortgage Professional Magazine, available in Articles section of www.lenderscompliancegroup.com.

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[17] *A Guide to HMDA Reporting, Getting it Right!, Federal Financial Institutions Examination Council, Edition Effective January 1, 2018 (For HMDA Submissions due March 1, 2019)*. Resources for HMDA filers are available at www.consumerfinance.gov/data-research/hmda/for-filers and www.ffiec.gov/hmda

[18] The enforcement agencies are: the OCC, for any national bank, federal savings association, or Federal branch or Federal agency of a foreign bank; the FRB, for any State member bank, any branch or agency of a foreign bank (other than a Federal branch, Federal agency, or insured State branch of a foreign bank), any commercial lending company owned or controlled by a foreign bank, and any organization operating under section 25 or 25A of the Federal Reserve Act; the FDIC, for any State nonmember insured bank, insured State savings association, mutual savings bank, insured State branch of a foreign bank, or any other depository institution not already mentioned; NCUA, for any insured credit union; and the CFPB, for any company subject to the Consumer Financial Protection Act of 2010 (Dodd-Frank Act Title 10). See 12 U.S.C. §§ 2804 and 1813(q).

[19] The CFPB statement is available at https://www.consumerfinance.gov/about-us/newsroom/cfpb-issues-public-statement-home-mortgage-disclosure-act-compliance/.

[20] Home Mortgage Disclosure (Regulation C), 80 FR 66128 (Oct. 28, 2015)

[21] Public Law No. 115-174, 132 Stat. 1296 (2018)

[22] Community Reinvestment Act (CRA) requirements are not treated in this article.

[23] *Executive Summary of the 2018 HMDA Interpretive and Procedural Rule*, August 31, 2018, Bureau of Consumer Financial Protection, formerly known as Consumer Financial Protection Bureau, and, as of this writing, once again called the Consumer Financial Protection Bureau.

[24] The 2018 Rule specifies that a “closed-end mortgage loan” is any closed-end mortgage loan as defined in 12 CFR § 1003.2(d) that is not excluded under § 1003.3(c)(1)-(10) or (13), and that “open-end line of credit” is any open-end line of credit as defined in § 1003.2(o) that is not excluded under § 1003.3(c)(1)-(10).

[25] Op. cit. 23

[26] Op. cit. 23

[27] Op. cit. 23

[28] *Filing Instructions Guide for HMDA Data Collected in 2018* is available at https://www.consumerfinance.gov/data-research/hmda/for-filers

[29] The Bureau released this final policy guidance on its website on December 21, 2018. For the transmittal statement and final guidance, see https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-announces-policy-guidance-disclosure-home-mortgage-data

[30] Idem

[31] Idem

[32] *Disclosure of Loan-Level HMDA Data*, Bureau of Consumer Financial Protection, December 21, 2018

[33] Idem

[34] Binning, sometimes known as “recoding” or “interval recoding,” allows data to be shown clustered into ranges rather than as precise values. Top-coding and bottom-coding mask any value that is above or below a certain threshold. For instance, 25 to 34; 35 to 44; 45 to 54; 55 to 64; and 65 to 74; with bottom-code reported values under 25 and top-code reported values over 74; and indicia for whether the reported value is 62 or higher.

[35] Op. cit. 32

[36] Op. cit. 32

[37] Op. cit. 32

[38] Op. cit. 32, F 32, 12 CFR 1003.1: “This part implements the Home Mortgage Disclosure Act, *which is intended to provide the public with loan data that can be used*:” to help determine whether financial institutions are serving the housing needs of their communities; to assist public officials in distributing public-sector investment so as to attract private investment to areas where it is needed; and to assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes. (Emphasis added)

[39] Op. cit. 32, F 33

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