



January 12, 2016

To: Clients and Friends

From: David F. Dulock

Subject: CFPB Request for Information Regarding HMDA Resubmission Guidelines

As you are aware the recent amendments to Regulation C (October 28, 2015, *Federal Register*, 80 FR 66128, [click here](#)), which implements HMDA, become effective in stages starting in 2017, with most of the amendments becoming effective in 2018 for reporting in 2019. However, the CFPB Resubmission Guidelines ([click here](#)), which describe when HMDA data should be corrected and resubmitted, have not been amended to reflect HMDA data that will be submitted under the Regulation C amendments. In order to rectify this, the CFPB published in the January 12, 2015, *Federal Register* (81 FR 1405, [click here](#)) a Notice requesting information on what changes to the Resubmission Guidelines may be needed.

For those interested in submitting information and other comments concerning revisions to the Resubmission Guidelines, they must be submitted in written form and identified by Docket No. CFPB–2015–0058 and the title “Request for Information Regarding Home Mortgage Disclosure Act Resubmission Guidelines.” Submissions must be received by the CFPB on or before March 14, 2016, and submitted by any of the following methods:

- *Electronic:* <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Mail:* Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1700 G Street NW., Washington, DC 20552.
- *Hand Delivery/Courier:* Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1275 First Street NE., Washington, DC 20552.

In addition to the CFPB’s requests for information on what modifications to the Resubmission Guidelines may be appropriate for the data reportable under the Regulation C amendments, the CFPB asks commenters to respond to the following questions:

1. Should the [CFPB] continue to use error percentage thresholds to determine the need for data resubmission? If not, how else may the [CFPB] ensure data integrity and compliance with HMDA and Regulation C?
2. If the [CFPB] retains error percentage thresholds, should the thresholds be calculated differently than they are today? If so, how and why?
3. If the [CFPB] retains error percentage thresholds, should it continue to maintain separate error thresholds for the entire HMDA LAR sample and individual data fields within the LAR sample? If not, why?
4. If the [CFPB] retains error percentage thresholds, should it continue to provide different thresholds for institutions with different LAR sizes? If so, what thresholds should the [CFPB] apply to which LAR sizes? Specifically, should the [CFPB] retain the stricter resubmission thresholds it applies to institutions with 100,000 or more LAR entries? If not, should distinct error thresholds be based on criteria other than LAR size?
5. If the [CFPB] retains error percentage thresholds, should it apply different thresholds to different HMDA data fields? If so, on what basis could the [CFPB] distinguish one kind or type of HMDA data field from another? If, for example, the [CFPB] were to identify

9575 Katy Freeway, Suite 300

Houston, TX 77024

Phone: 713-871-0005

Fax: 713-871-1358

Partners

Thomas E. Black, Jr.*, P.C.

Gregory S. Graham., P.C.

Shawn P. Black**, P.C.

Regina M. Uhl***, P.C

Senior Lawyers

David F. Dulock

Diane M. Gleason

Associates

Peter B. Idziak**

Daniel S. Engle**

Of Counsel

David M. Tritter

Benjamin R. Idziak**

Calvin C. Mann, Jr.

Retired Partner(s)

Calvin C. Mann, Jr.

* Also Licensed in Iowa, New York, Washington and West Virginia

** Also Licensed in New York

*** Also Licensed in Kentucky

certain data fields as “key fields” that are held to a more stringent resubmission standard than other fields, how could the [CFPB] determine which fields are “key” and determine the appropriate threshold?

6. If the [CFPB] retains error percentage thresholds, should it treat systemic errors differently from non-systemic errors? If so, how should the [CFPB] distinguish between systemic and non-systemic errors?

7. Should the [CFPB] separately survey a financial institution’s internal data for HMDA-reportable transactions that were omitted from the institution’s HMDA LAR? If so, how should the [CFPB] conduct the survey and determine when omissions require correction and resubmission?

8. Should the [CFPB], for some kinds or types of errors, require that an institution correct and resubmit its HMDA submission and, for other kinds or types of errors, require only that the institution ensure such errors are not found in future HMDA submissions? If so, how should the [CFPB] decide when correction and resubmission of the HMDA LAR is necessary?

9. Should the [CFPB]’s HMDA review procedures or guidelines address circumstances in which HMDA data are reported by several financial institutions that have an affiliate and/or subsidiary relationship with each other? If so, how?

10. Are any changes needed in how the [CFPB] selects HMDA samples to conduct HMDA data integrity reviews? If so, what changes are needed and why?

11. Are any other changes needed in the manner in which the [CFPB] conducts its HMDA data integrity reviews? If so, what changes are needed and why?

12. Are there any technological or other changes that could be made to the HMDA data collection system or to the process by which it applies edits to identify possible errors that could help HMDA reporters reduce the frequency of errors or otherwise promote data integrity?

In answering the above question(s), the CFPB requests that commenters note the number associated with any question to which the commenter is responding at the top of each response. Commenters are not required to answer all questions to receive consideration of their comments.

The CFPB also requests that commenters, to the extent possible, provide a detailed explanation of any views expressed, whether to the above questions or other comments – *e.g.*, if a commenter suggests that an error threshold should be changed or apply to only certain HMDA data fields, explain how the commenter arrived at the suggestion. The CFPB encourages commenters to explain how any suggested changes to the Resubmission Guidelines could change HMDA compliance costs. Furthermore, the CFPB is interested in any comments regarding how changes to the Resubmission Guidelines may affect the reliability or usefulness of HMDA data.

The CFPB anticipates that it will not separately propose and solicit public comment on any specific changes to its Resubmission Guidelines before finalizing and publishing the changes. So this may be your only opportunity to comment.

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