



BLACK|MANN & GRAHAM L.L.P.

8584 Katy Freeway, Suite 420

Houston, TX 77024

Phone: 713-871-0005

Fax: 713-871-1358

Partners

Thomas E. Black, Jr.¹

Gregory S. Graham²

Shawn P. Black³

Regina M. Uhl⁴ ‡

Senior Lawyers

David F. Dulock

Diane M. Gleason

Associates

Peter B. Idziak³

Daniel S. Engle³

Nick Stevens

Sydney Davis

Of Counsel

David M. Tritter

Benjamin R. Idziak³

Calvin C. Mann, Jr.

Retired Partner(s)

Calvin C. Mann, Jr.

¹ Also Licensed in Iowa, New York, Washington and West Virginia

² Also Licensed in Georgia

³ Also Licensed in New York

⁴ Also Licensed in Kentucky and Illinois

‡ Board Certified- Residential Real Estate Law- Texas Board of Legal Specialization

April 25, 2017

To: Clients and Friends

From: David F. Dulock

Subject: CFPB Proposed Amendments to HMDA Regulation C

In the April 25, 2017, issue of the *Federal Register* (82 FR 19142, [click here](#)) the CFPB published a proposed rule, with a request for public comment, to make technical corrections to and to clarify certain requirements adopted by the Home Mortgage Disclosure (Regulation C) final rule (2015 HMDA Final Rule), which was published in the *Federal Register* on October 28, 2015 (80 FR 66128). The proposed rule also proposes a new reporting exclusion.

You may submit comments, identified by Docket No. CFPB-2017-0010 or RIN 3170-AA64, by any of the following methods:

- *Email:* FederalRegisterComments@cfpb.gov. Include Docket No. CFPB-2017-0010 or RIN 3170-AA64 in the subject line of the email.

- *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. Include Docket No. CFPB-2017-0010 or RIN 3170-AA64 in a reference line of the submission.

- *Hand Delivery/Courier:* Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1275 First Street NE., Washington, DC 20002. Include Docket No. CFPB-2017-0010 or RIN 3170-AA64 in a reference line of the submission.

Submitted comments must be received by the CFPB on or before May 25, 2017.

The following edited excerpts from the proposed rule's preamble provide an explanation for and a brief summary of the proposed rule:

- Regulation C implements the Home Mortgage Disclosure Act (HMDA, 12 U.S.C. 2801 *et seq.*). The Dodd-Frank Act of 2010 amended HMDA by expanding the scope of information that must be collected, reported, and disclosed under HMDA, among other changes. On October 28, 2015, the CFPB published the 2015 HMDA Final Rule implementing the Dodd-Frank Act amendments to HMDA. The 2015 HMDA Final Rule modified the types of institutions and transactions subject to Regulation C, the types of data that institutions are required to collect, and the processes for reporting and disclosing the required data. Most of the 2015 HMDA Final Rule amendments take effect on January 1, 2018. After publishing the 2015 HMDA Final Rule, the CFPB identified a number of areas in which implementation of the 2015 HMDA Final Rule could be facilitated through clarifications, technical corrections, or minor changes and the proposed rule proposes certain amendments to Regulation C to address those areas.

- The proposed rule would establish transition rules for two data points: loan purpose and the unique identifier for the loan originator. The transition rules would permit financial institutions to report not applicable for these data points when reporting certain loans that they purchased that were originated before certain regulatory requirements took effect.
- The proposed rule would make additional amendments to clarify certain key terms, such as temporary financing and automated underwriting system, and create a new reporting exception for certain transactions associated with New York State consolidation, extension, and modification agreements.
- The proposed rule would facilitate reporting the census tract of the property securing, or, in the case of an application, proposed to secure, the covered loan required by Regulation C. The CFPB plans to make available on its Web site a geocoding tool that financial institutions may use to identify the census tract in which a property is located. The proposed rule would establish that a financial institution would not violate Regulation C by reporting an incorrect census tract for a particular property if the financial institution obtained the incorrect census tract number from this geocoding tool, provided that the financial institution entered an accurate property address into the tool and the tool returned a census tract for the address entered.
- The proposed rule also would make certain technical corrections

The text of the proposed rule's amendments to Regulation C may be found on pages 19168 through 19178 in the above hyperlinked issue of the *Federal Register*.

This Memorandum is provided as general information in regard to the subject matter covered, but no representations or warranty of the accuracy or reliability of the content of this information are made or implied. Opinions expressed in this memorandum are those of the author alone. In publishing this information, neither the author nor the law firm of Black, Mann & Graham L.L.P. is engaged in rendering legal services. While this information concerns legal and regulatory matters, it is not legal advice and its use creates no attorney-client relationship or any other basis for reliance on the information. Readers should not place reliance on this information alone, but should seek independent legal advice regarding the law applicable to matters of interest or concern to them. The law firm of Black, Mann & Graham L.L.P. expressly disclaims any obligation to keep the content of this information current or free of errors.