

Background:

Beginning with Home Mortgage Disclosure Act (HMDA) data collected in 2017 and submitted in 2018, responsibility to receive and process HMDA data will transfer from the Federal Reserve Board (FRB) to the Consumer Financial Protection Bureau (CFPB). The HMDA agencies have agreed that filing HMDA data collected in or after 2017 with the CFPB will be deemed submission to the appropriate Federal agency¹.

As the new processor, the CFPB is developing and implementing a web-based data submission and edit-check system ([the HMDA Platform](#)) to process HMDA data. The two primary functions the CFPB focused on in developing the HMDA platform are:

- 1) reducing burden in the submission process, and;
- 2) ensuring the historic high standards for data quality.

This means that the CFPB is eliminating the paper-based edit reports and time delays due to multiple submissions with the current process. Therefore, the current software developed by the FRB, the Data Entry Software (DES), will not be a supported tool beginning with the data collected in 2017.

The CFPB realizes that some financial institutions, typically those with small volumes of reported loans or those who do not use vendor or other software to prepare their HMDA data for submission, will still need a software solution for integrating HMDA data from paper records or disparate systems. Therefore, we have created a prototype “lar formatting tool” which will allow financial institutions with small volumes of reported loans or those who do not use a vendor or other software to prepare their HMDA data for submission, to enter HMDA data and to create a pipe delimited text file to upload to the HMDA Platform. The financial institution can then proceed through the interactive web pages of the HMDA Platform.

Please test the prototype using the attached instructions and provide us with feedback using the attached follow up questions. This is a voluntary request and you may choose not to participate. If you choose not to participate, the CFPB might not receive feedback necessary to improving the HMDA submission process.