

**CONSUMER FINANCIAL PROTECTION BUREAU  
NON-SUBSTANTIVE NO MATERIAL CHANGE REQUEST  
INTERSTATE LAND SALES FULL DISCLOSURE ACT (REGULATIONS J, K, AND L)  
(OMB CONTROL NUMBER: 3170-0012)**

The Bureau of Consumer Financial Protection (Bureau) is amending Regulations J and L to permit the electronic submission of filings under the Interstate Land Sales Full Disclosure Act (ILSA). The Bureau is also making non-substantive corrections to regulatory and statutory citations and other technical changes. Therefore, the Bureau submits this memorandum to provide justification for a non-substantive no material change for Regulations J, K, and L, 12 CFR parts 1010 and 1012 (OMB No. 3170-0012).

Previously, the Rules contained in Regulations J and L specified that the filings required under this rule be made on paper, and specified certain requirements for those paper filings including paper size and the requirements that certain documents be submitted in duplicate or triplicate.

The final rule published May 11, 2016 titled, “Amendments to Filing Requirements Under the Interstate Land Sales Full Disclosure Act (Regulations J and L)” (81 FR 29111 / RIN 3170-AA53) allows developers to choose whether to submit ILSA filings—including Statements of Record and related amendments, annual reports, and requests to suspend an effective date—on paper or via electronic means designated on the ILSA program page of the Bureau’s website. Statements of Record submitted to the Bureau electronically in compliance with the final rule need not comply with the requirements in § 1010.102(a) and (g) relating to paper type, tabs, folding, and ordering.

The final rule also removes a number of procedural filing requirements under Regulation J, including that developers submit three copies of the final Property Report and two copies of the current geological survey topographic map or maps; that developers use legal size paper for submitting certain filings; that developers submit originals of topographical maps; and that developers bind paper filings. Under the final rule, developers need only submit one copy of documents to the Bureau, may use letter size paper for paper filings, and may submit photocopies of topographic maps in lieu of originals. The final rule also permits developers to choose whether to enclose warnings in a box in the Statement of Record.

The Bureau believes that these changes do not substantially change the information collections approved under this rule. However, the Bureau believes this will reduce the time and cost burdens imposed on regulated entities to comply with this rule, consistent with the Bureau’s ongoing obligation to reduce burdens and implement the use of information technology wherever possible in its information collections. Therefore, the impact of this new rule on the Paperwork Reduction Act burden associated with ILSA depends largely on the extent to which developers switch from paper submissions to electronic submissions. Currently, only 10 percent of ILSA information collections received by the Bureau are done in electronic form. If all submissions become electronic, the estimated savings in ongoing Paperwork Reduction Act burden could be up to 972 hours and approximately 15,000 pages of paper per year at \$.01 per unit resulting in an estimated savings of \$1,500 annually. Additionally, the current supporting statement also estimates that 411 units are mailed annually at a cost of about \$30 per unit resulting in an estimated \$12,330 saving per year for a total estimated cost saving of \$13,830 per year.

**Burden Change Summary Table:**

	<b>Total Respondents</b>	<b>Annual Responses</b>	<b>Burden Hours</b>	<b>Cost Burden (O&amp;M)</b>
Total Annual Burden Requested	197	6,772	5,752	\$82,524
Current OMB Inventory	197	6,772	6,724	\$96,445
Difference (+/-)	0	0	(972)	(\$13,921)
<b>Program Change</b>				
Discretionary			(972)	(\$13,921)
New Statute				
Violation				
Adjustment				

The one-time burden associated with a new method of submission is expected to be minimal because many documents are already created electronically for business reasons.