

CONSUMER FINANCIAL PROTECTION BUREAU

**PAPERWORK REDUCTION ACT SUBMISSION
INFORMATION COLLECTION REQUEST**

SUPPORTING STATEMENT PART A

**HOME MORTGAGE DISCLOSURE ACT (REGULATION C) 12 CFR 1003
(OMB CONTROL NUMBER: 3170-0008)**

OMB TERMS OF CLEARANCE:

When the Office of Management and Budget (OMB) last approved these information collections on January 20, 2016, there were no terms of clearance imposed by OMB. When OMB reviewed the proposed changes to these information collections as contained in the May 13, 2019 notice of proposed rulemaking (NPRM) it instructed the Bureau to “examine public comment in response to the NPRM and will describe in the supporting statement of its next collection any public comments received regarding the collection as well as why (or why it did not) incorporate the commenter’s recommendation. The next submission to OMB must include the draft final rule” (See OMB Notice of Action dated July 10, 2019). This submission to OMB is in response to that OMB Term of Clearance as well as the requirements outlined in 5 CFR 1320.11.

ABSTRACT:

The Home Mortgage Disclosure Act (HMDA) requires certain depository institutions and for-profit nondepository institutions to collect, report, and disclose data about originations and purchases of mortgage loans, as well as mortgage loan applications that do not result in originations (for example, applications that are denied or withdrawn). The Consumer Financial Protection Bureau’s (Bureau) Regulation C, 12 CFR part 1003, implements HMDA. The purpose of the information collection is: (i) to help determine whether financial institutions are serving the housing needs of their communities; (ii) to assist public officials in distributing public-sector investment so as to attract private investment to areas where it is needed; and (iii) to assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes. The information collection will also assist the Bureau’s examiners, and examiners of other federal supervisory agencies, in determining that the financial institutions they supervise comply with applicable provisions of HMDA.

JUSTIFICATION

1. Circumstances Necessitating the Data Collection

Data reported under the Home Mortgage Disclosure Act (HMDA), 12 U.S.C. 2801-2810, represent the primary data source for regulators, industry, advocates, researchers, and economists studying and analyzing trends in the mortgage market for a variety of purposes, including general market and economic monitoring, as well as assessing housing needs, public investment, and possible discrimination.

In 2010, Congress enacted the Dodd-Frank Act Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), which amended HMDA and transferred rulemaking authority from the Federal Reserve Board to the Bureau. Section 1094 of the Dodd-Frank Act directed the Bureau to implement changes requiring the collection and reporting of several new data points and authorized the Bureau to require financial institutions to collect and report such other information as the Bureau may require. In October 2015, the Bureau issued a final rule modifying Regulation C to implement amendments made to HMDA by the Dodd-Frank Act and add new data points pursuant to the Bureau's discretionary authority (October 2015 Rule). In October 2017, the Bureau issued a final rule further amending Regulation C to make technical corrections and clarify and amend requirements adopted by the October 2015 Rule. In 2018, HMDA was further amended by the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA). The Bureau issued an interpretive and procedural rule in August 2018 to implement and clarify changes made to HMDA by the EGRRCPA (August 2018 Rule).

HMDA and Regulation C require financial institutions to report certain information related to covered loans and applications. Financial institutions are required to report HMDA data annually to the Bureau or to the appropriate Federal agency and beginning in 2020, certain financial institutions will be required to report HMDA data quarterly to the Bureau or appropriate Federal agency. All reportable transactions must be recorded on a loan/application register within 30 calendar days after the end of the calendar quarter in which final action is taken on a loan application register, which must also be disclosed to the public upon request. Financial institutions must also make their disclosure statements, which are prepared by the FFIEC from data submitted by the institutions, available to the public upon request.

On May 2, 2019, the Bureau issued on its website a Notice of Proposed Rulemaking (NPRM) to amend Regulation C to adjust the coverage thresholds and implement further the EGRRCPA. The NPRM was published in the *Federal Register* on May 13, 2019.¹ The NPRM provided two alternatives to increase the closed-end institutional and transactional coverage threshold to either 50 or 100 closed-end mortgage loans in each of the preceding two calendar years. The Bureau also proposed that the current temporary threshold of 500 open-end lines of credit for open-end institutional and transactional coverage would extend to January 1, 2022, and then once that temporary extension expires, the open-end threshold would be set at 200 open-end

¹ 84 FR 20972 (May 13, 2019).

lines of credit in each of the preceding two calendar years. In addition, the Bureau proposed to incorporate into Regulation C the interpretations and procedures from the August 2018 Rule to implement and further clarify the amendments made to HMDA by EGRRCPA section 104(a).

On October 10, 2019, the Bureau issued a final rule (October 2019 Rule) addressing the open-end coverage threshold and implementation of the EGRRCPA. This October 2019 Rule does not add any new reporting requirements beyond those provided by the 2015 and 2017 Final Rules. The October 2019 Rule extended for two years, until January 1, 2022, the current temporary open-end coverage threshold of 500 open-end lines of credit. The October 2019 Rule also incorporated into Regulation C the interpretations and clarifications from the Bureau's August 2018 interpretive and procedural rule and implemented further the partial exemptions from HMDA reporting added by the EGRRCPA by, for example, clarifying how the partial exemptions apply after a merger or acquisition.²

2. Use of the Information

HMDA's purposes are as follows:

- (1) to help determine whether financial institutions are serving the housing needs of their communities;
- (2) to assist public officials in distributing public-section investment so as to attract private investment to areas where it is needed; and
- (3) to assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes.

The information collections, which include reporting, recordkeeping, and disclosure requirements, will assist community groups, academics, and public officials, in determining whether financial institutions are serving the housing needs of their communities, targeting public investment to attract private investment in communities, and identifying possible discriminatory lending patterns and enforce antidiscrimination statutes. The information collections will also assist in earlier identification of trends in the mortgage market, including the cyclical loosening and tightening of credit.

Recordkeeping

Section 1003.4(a) of Regulation C requires an entity that meets the definition of *financial institution* under § 1003.2(g) to collect data regarding applications for covered loans that it receives, covered loans that it originates, and covered loans that it purchases for each calendar

² The Bureau reopened the comment period on certain aspects of the Proposal until October 15, 2019. Specifically, the Bureau reopened the comment period with respect to: 1) the proposed amendments to the closed-end institutional and transactional coverage threshold, 2) the proposed amendment to the permanent open-end institutional and transactional coverage threshold, and 3) the appropriate effective date for any amendment to the closed-end institutional and transactional coverage threshold. 84 FR 37804 (Aug. 2, 2019).

year.³ The data to be collected are provided in Regulation C, 12 CFR 1003.4(a)(1) – (38) and (b).

Reporting

Section 1003.5(a) of Regulation C requires that by March 1 following the calendar year for which data are collected and recorded as required by § 1003.4(a), a financial institution must submit its loan/application register in electronic format to the *appropriate Federal agency*. Section 1003.5(a)(4) provides that *appropriate Federal agency* means the appropriate agency for the financial institution as determined pursuant to section 304(h)(2) of HMDA (12 U.S.C. 2803(h)(2) or, with respect to a financial institution subject to the Bureau’s supervisory authority under section 1025(a) of the Consumer Financial Protection Act of 2010 (12 U.S.C. 5515(a)), the Bureau. Effective January 1, 2020, § 1003.5(a)(1)(ii) requires that within 60 calendar days after the end of each calendar quarter except the fourth quarter, a financial institution that reported for the preceding calendar year at least 60,000 covered loans and applications, combined, excluding purchased covered loans, must submit to the appropriate Federal agency its quarterly loan/application register required to be recorded for that quarter.

Disclosure

Section 1003.5(b)(2) of Regulation C requires that a financial institution provide at its offices a written notice that conveys that the institution’s disclosure statement may be obtained on the Bureau’s web site. In addition, § 1003.5(c) requires that a financial institution provide at its offices a written notice that conveys that the institution’s loan/application register, as modified by the Bureau to protect applicant and borrower privacy, may be obtained on the Bureau’s web site.

3. Use of Information Technology

Regulation C requires financial institutions to submit HMDA data in electronic form. The Bureau implemented several operational improvements in the past few years to facilitate this process. For example, the Bureau developed the HMDA Platform, a web-based submission tool that enables financial institutions to upload their HMDA data, review edits, certify data accuracy and submit data for the filing year. The Bureau also improved the points of contact processes for help inquiries. In addition, the Bureau developed a tool that financial institutions with small volumes of HMDA data can use to create an electronic for submission to the HMDA Platform and streamlined the submission and validation process to make it more efficient.

4. Efforts to Identify Duplication

Substantially all of the information collected is not otherwise available. No privately-produced loan-level mortgage databases with comprehensive national coverage exist that are easily-accessible by the public. Private data vendors offer a few large databases for sale, but

³ An entity may be exempted from Regulation C requirements as an exempt institution described in § 1003.3(a).

these are typically collected via either the largest servicers or securitizers, and therefore none match the near-universal coverage of the HMDA data. Notably, unlike HMDA, almost all of the commercially-available loan-level databases provided by vendors are for originated loans only and do not include applications that did not result in an origination.

5. Efforts to Minimize Burdens on Small Entities

In February 2014, the Bureau convened a Small Business Review Panel regarding burden minimization. The Bureau also solicited feedback through the public comment period on the October 2015 Rule. Regulation C, in its current form, reflects several changes designed to further this purpose. First, the Bureau provided substantial relief to small entities by increasing the loan volume threshold applicable to closed-end mortgage loans. Second, the Bureau provided that financial institutions shall make available to the public notices that clearly convey that the institution's disclosure statement and modified loan/application register may be obtained on the Bureau's website.⁴ This approach relieves all financial institutions, including small entities, of the obligation to provide the disclosure statement and modified loan/application register to the public directly. Third, the Bureau adopted revisions to transactional coverage criteria that benefits small entities. As one example of this benefit, the revisions to the transactional coverage criteria eliminated reporting of unsecured home improvement loans. This change reduced reporting burden to small entities to the extent that these entities offer unsecured home improvement products. Finally, the Bureau made operational enhancements and modifications to improve the data submission process, as described in number 3 above. The Bureau's share of respondents does not include small entities.

The final rule extends the current temporary open-end coverage threshold of 500 for reporting data about open-end lines of credit, which relieves the burden of HMDA on lower-volume institutions.

6. Consequences of Less Frequent Collection and Obstacles to Burden Reduction

HMDA provides for information to be collected annually. The October 2015 Rule added the requirement that financial institutions that reported for the preceding calendar year at least 60,000 covered loans and applications, excluding purchased covered loans, submit their HMDA data for the first three quarters of the calendar year on a quarterly basis in addition to submitting their HMDA data for the entire calendar year on an annual basis. This quarterly reporting requirement will become effective on January 1, 2020. Quarterly reporting by large volume financial institutions may have a number of benefits to consumers. Currently, there is significant delay between the time that final action is taken on an application and the time information about the application or loan is reported to regulators pursuant to Regulation C. This time delay ranges from two months if the date of final action occurs during December to 14 months if the date of final action occurs during January of the reporting year. The Bureau believes that timelier data will improve the ability of the regulators to identify current trends in mortgage markets, detect early warning signs of future housing finance crises, and determine, in much closer to "real

⁴ <https://www.consumerfinance.gov/data-research/hmda/>

time,” whether financial institutions are fulfilling their obligations to serve the housing needs of communities in which they are located, whether opportunities exist for public investment to attract private investment in communities, and whether there are possible discriminatory lending patterns. Also, timelier identification of risks and troublesome trends in mortgage markets by the Bureau and the appropriate agencies will allow for more effective interventions by public officials. Finally, the Bureau intends to release aggregate quarterly data or analysis to the public more frequently than annually, which would improve the ability of members of the public to use the data in a timely manner. 80 FR 66128, 66293 (Oct. 28, 2015). The Bureau believes that less frequent reporting for the highest-volume institutions would impair the ability of the appropriate agencies to use HMDA data to effectuate the purposes of the statute in a timely manner. In addition, because quarterly reporting would permit the Bureau to process a significant volume of HMDA data throughout the year, the Bureau believes that quarterly reporting may allow for the earlier release to the public of HMDA data products. As an alternative to the adopted approach, the Bureau in 2015 considered requiring semi-annual reporting rather than quarterly reporting. Under this approach, large volume reporters would submit their “final” HMDA data for the first and second quarters of the calendar year within 60 days after the end of the second quarter, and their “final” HMDA data for the third and fourth quarters by March 1 of the following year. This alternative approach would not provide data to the agencies that was as timely as the quarterly reporting approach, thus reducing the utility of the data to the agencies as well as the disclosure benefit to the public. Therefore, the Bureau did not adopt this alternative approach in the October 2015 HMDA Rule.

7. Circumstances Requiring Special Information Collection

No special circumstances require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.5(d)(2).

Regulation C requires that all reportable transactions be recorded on the financial institution’s loan/application register within thirty calendar days after the end of the calendar quarter in which final action is taken. Regulation C further specifies that a financial institution shall retain a copy of its submitted loan/application register for its records for at least three years. These retention provisions are required by Congress, which are provided in HMDA section 304(c) that information required to be compiled and made available under HMDA section 304, other than loan application register information required under section 304(j), must be maintained and made available for a period of five years. HMDA section 304(j)(6) requires that loan application register information for any year shall be maintained and made available, upon request, for three years.

8. Consultation Outside the Agency

In addition to consultations described above in item 5; in accordance with 5 CFR 1320.8(d)(1), the Bureau published a Notice of Proposed Rulemaking (NPRM) in the *Federal Register* allowing the public 60 days to comment on the information collections in this final rule. Comments received in response to the NPRM are addressed on the Preamble to the Notice of

Final Rulemaking.

The comment period for the May 2019 Proposal closed on June 12, 2019 and the comment period for the PRA analysis closed on July 12, 2019. The Bureau received 367 comments from lenders, industry trade associations, consumer groups, consumers, members of Congress, and others on the May 2019 Proposal (Docket number CFPB 2019-0021). The Bureau did not receive comments specific to the PRA.

Industry commenters generally expressed support for the proposed extension of the temporary open-end coverage threshold with many commenters describing the significant cost HMDA data collection and reporting and the anticipated cost savings the extension of the temporary open-end coverage threshold would provide. Other commenters, including a number of consumer and civil rights groups, a bank, a State attorney general, and some members of Congress, expressed opposition to the proposal as a whole based on their concerns about the consequences of exempting institutions from HMDA because, for example, extending the temporary open-end coverage threshold would exclude a significant percentage of the market and that lenders and loans may prevent public scrutiny resulting in fewer safeguards to prevent events similar to the 2008 financial crisis. 84 FR 57946, 57953 (Oct. 29, 2019).

Commenters that discussed the proposed amendments relating to EGRRCPA generally expressed support for the Bureau's implementation of section 104(a) of the EGRRCPA. 84 FR 57946, 57955 (Oct. 29, 2019).

As explained in the 1022(b) analysis in the October 2019 Rule, the Bureau received a number of comments relating to the benefits to covered persons of the May 2019 Proposal, which it considered in finalizing the rule. Many industry commenters reported that they expend substantial resources on HMDA compliance that could instead be used for other purposes or that they have structured their lines of business to ensure they are not required to report under HMDA. Some cited, for example, the burden of establishing procedures, purchasing reporting software, and training staff to comply with HMDA, and noted that compliance can be particularly difficult for smaller institutions with limited staff. On the other hand, consumer groups, civil rights groups, and other nonprofit organizations stated that Federal agency fair lending and Community Reinvestment Act exams will become more burdensome for Federal agencies and the HMDA-exempt lenders since the agencies will now have to ask for internal data from the lenders instead of being able to use the HMDA data. They also noted that smaller-volume lenders already benefit from the EGRRCPA's partial exemptions and stated that almost all of the data that such institutions must report under HMDA would already need to be collected to comply with other statutes like the Truth in Lending Act, to sell loans to Fannie Mae or Freddie Mac, or to acquire FHA insurance for loans.). A nonprofit organization that does HMDA-related research commented that it is hard to imagine that a bank would not keep an electronic record of its lending, even if it were not subject to HMDA reporting. The Bureau has carefully considered these comments and felt that the costs burdens now

taken for this rule adequately address the concerns about software costs, and we adjusted the burden hours for responding to some record-keeping and reporting requirements in response to those comments that felt the Bureau has not accounted for all burden reductions caused by this rule.

The Bureau will also publish a separate notice in the *Federal Register* upon OMB approval of these information collections.

9. Payments or Gifts to Respondents

Not applicable.

10. Assurances of Confidentiality

Respondents are financial institutions for which the Bureau provides no assurances of confidentiality. In December 2018, the Bureau issued final policy guidance describing modifications the Bureau intends to apply to the HMDA data reported by financial institutions in or after 2018⁵ before the data are made available to the public on a loan level beginning in 2019. The Bureau stated in the final policy guidance it intends to modify the public loan-level HMDA data by excluding certain fields and reducing the provision of the other fields. The Bureau believes that these modifications will reduce risks to applicant and borrower privacy and appropriately balance them with the benefits of disclosure in light of HMDA's purposes. Data not made publicly available are considered confidential under the Bureau's confidentiality regulations, 12 CFR part 1070 *et seq.*, and the Freedom of Information Act. Information that is not disclosed is protected from unauthorized disclosure by several data security safeguards, including privacy and security awareness training for each individual with internal access to the system, technical access controls, and breach notification processes and plans. More information regarding the privacy and security of the HMDA dataset can be found in the current Privacy Impact Assessment published by the Bureau.⁶ In December 2018, the Bureau issued final policy guidance describing the modifications the Bureau intends to apply to HMDA data reported by financial institutions at the loan level before the data are made available to the public. The policy guidance applies to HMDA data collected by financial institutions in or after 2018 and made available to the public beginning in 2019. In the policy guidance, the Bureau stated that it would modify the public loan-level data by excluding certain fields and reduce the precision of other data fields. In the Bureau's determination, these modifications to how the Bureau stores and publishes the reported data, will reduce risks to applicant and borrower privacy and appropriately balance them with the benefits of disclosure in light of HMDA's purposes. Furthermore, as part of its Fall 2019 Unified Agenda, the Bureau has announced that this policy guidance as to the modifications the Bureau will make to the HMDA data prior to public disclosure will be the subject of a legislative rulemaking that is scheduled to begin in June of

⁵ 84 FR 649, 673 (Jan. 31, 2019)

⁶ Home Mortgage Disclosure Act (HMDA) Data Collection, https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/cfpb_hmda-data-collection-pia_022018.pdf.

2020 .

The policy guidance provides that the Bureau will exclude the following from the public loan-level HMDA data:

- Universal loan identifier or non-universal loan identifier
- Application date
- Action taken date
- Property address
- Credit score relied on in making the credit decision
- Unique identifier assigned by the Nationwide Mortgage Licensing System and Registry for the mortgage loan originator
- Result generated by the automated underwriting system
- Free-form test fields for: race, ethnicity, name and version of credit scoring model, reason for denial, and name of automated underwriting fields

The policy guidance provides that the Bureau will reduce the precision of most of the values reported for the following:

- Loan amount
- Age
- Debt-to-income ratio
- Property value
- Total units
- Multifamily affordable units

11. Justification for Sensitive Questions

The information collection includes personal information regarding mortgage applicants or borrowers, such as unique loan identifier, address, race/ethnicity, sex, age, annual income, and credit score. This information is necessary to realize the benefits of HMDA and to fulfill the statutory purposes: (1) to help determine whether financial institutions are serving the housing needs of the communities in which they are located; (2) to assist public officials in their determination of the distribution of public sector investments in a manner designed to improve the private investment environment; and (3) to assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes.

A system of records notice is not applicable because information is not retrieved by direct identifier.

12. Estimated Burden of Information Collection

A. Information Collections

This rule is also enforced by the Bureau’s partner financial regulators. These agencies are the Office of Comptroller of the Currency (OCC), the Federal Deposit Insurance Company (FDIC) the Federal Reserve System (FRS), the Department of Housing and Urban Development (HUD) and the National Credit Union Administration (NCUA). These agencies are responsible for accounting for the burden on the regulated entities that report to them. To see the estimated burden and number of respondents for each agency, please consult their supporting statements that can be found under the following OMB control numbers:⁷ OCC - 1557-0159, FDIC - 3064-0046, FRS - 7100-0247; HUD – 2502-0529; NCUA – 3133-0166.

The Bureau estimates that the total burden of information collection for its respondents is as follows:

Exhibit 1: Burden Hour Summary

Information Collection Requirement	No. of Respondents	Type of IC	Frequency	Annual Responses	Average Response Time (hours)	Annual Burden Hours	Hourly Costs⁸
HMDA Reporting Requirements	135	Reporting	1	135	6,776	915,000	\$51,017,000
Recordkeeping Requirements	135	Recordkeeping	1	135	4,330	584,000	\$32,597,000
Third Party Disclosure requirements	135	Third party disclosures	1	135	4	510	\$29,000
CFPB Totals:	135	////////////////	////////// /	135⁹	////////////////	1,500,000	\$83,642,000

Reporting:

⁷ <https://www.reginfo.gov>

⁸ Calculated using occupational data from the Bureau of Labor Statistics on the mean hourly wage for compliance officers in the financial service sector (occupation code 13-1041) of \$34.86 per hour and assuming a “fully loaded” rate of \$55.77. BLS statistics can be found here https://www.bls.gov/oes/current/oes_nat.htm#13-0000.

⁹ For purposes of estimation of the time burden, the Bureau has disaggregated the recordkeeping, disclosure and reporting requirements, but all three tasks together constitute a single annual response by each respondent.

Given that HMDA is a data collection statute, the Bureau views most tasks that financial institutions undertake to gather, and report data as covered by the Reporting Requirements. Based on initial outreach efforts, the Bureau identified 18 tasks that financial institutions conduct when gathering and reporting data under HMDA.¹⁰ These outreach efforts also determined that the time and monetary cost of conducting these 18 tasks differed by financial institutions' level of complexity. For the PRA burden analysis for the Bureau the Bureau estimated the time that the largest lenders, who are most likely to be Bureau respondents spend on each of the 18 tasks. The Bureau then took these institution-level estimates and aggregated up to the market level.

The Bureau estimates that under the partial exemptions pursuant to the EGRRCPA and the temporary extension of the open-end coverage threshold at 500 open-end lines of credit, the number of Bureau respondents would be about 135, the total burden hours for reporting requirements would be about 915,000 hours (rounded to thousands) per year.

Recordkeeping:

The Recordkeeping Requirement covers the requirements that financial institutions maintain HMDA data for three years and disclosure statements for five years, maintain loan application register information for three years, and update information regarding reportable transactions quarterly. To maintain data, disclosure statements, and loan application register information, the primary time burden is the time needed to copy this information to electronic data storage devices, such as a hard drive or disk. Given the prevalence and low cost of modern computer technology, the Bureau believes that this time burden is negligible. The Bureau regards the task of transcribing data as the key operational task that is directly related to recordkeeping. The Bureau calculates the burden hours for the Recordkeeping Requirement based on the estimated hour burden of transcribing the data.

The Bureau estimates that under the partial exemptions pursuant to the EGRRCPA and the temporary extension of the open-end coverage threshold at 500 open-end lines of credit, the number of Bureau respondents would be about 135, the total burden hours for reporting requirements would be about 584,000 hours (rounded to thousands) per year.

Third Party Disclosure:

The Third-Party Disclosure Requirement covers the requirements that financial institutions create a public loan application register, distribute the public loan application register upon request, and provide a notice that the disclosure statement can be obtained from the FFIEC website. These requirements correspond to three operational tasks: creating the public loan

¹⁰ These are transcribing data, resolving reportability questions, transferring data to HMDA Management System (HMS), geocoding, standard annual edit and internal checks, researching questions, resolving question responses, checking post-submission edits, filing post-submission documents, creating public loan application register, distributing public loan application register, distributing disclosure report, using vendor HMS software, training, internal audits, external audits, exam preparation, and exam assistance.

application register, distributing the public loan application register, and creating the notice for obtaining the disclosure statement.

The Bureau estimates that under the partial exemptions pursuant to the EGRRCPA and the temporary extension of the open-end coverage threshold at 500 open-end lines of credit, the number of Bureau respondents would be about 135, the total burden hours for third party disclosure requirements would be about 510 hours per year.

Total Burden:

Combining the three Information Collections, the Bureau estimates that the total reporting, ongoing recordkeeping, and third-party disclosure requirement costs allocated to the Bureau under Regulation C are 915,000, 584,000, and 510 hours per year, respectively, for a total estimate of 1,500,000 burden hours per year, for 135 Bureau respondents.

13. Estimated Total Annual Non-Labor Cost to Bureau Respondents or Recordkeepers

Description of Costs (O&M)	Per Unit Costs	Quantity	Costs
Annual Software Licensing Fees for HMS software	\$9,224	135	\$1,245,000
Obtaining an LEI (one-time cost)	\$200	135	27,000
LEI Annual Renewal	\$100	135	13,500
Total	//////////	135	\$1,286,000

The non-labor-specific costs specific to complying with the Reporting, Recordkeeping, and Third Party Disclosure Requirements include the annual fee for HMDA Management System (HMS) software and the annual fee for the Legal Entity Identifier (LEI)¹¹. The Bureau estimates that under the partial exemptions pursuant to the EGRRCPA and the temporary extension of the open-end coverage threshold at 500 open-end lines of credit, the number of Bureau respondents would be about 135, the total annual non-labor cost to Bureau respondent would be about \$1.286 Million.

14. Estimated Cost to the Federal Government

The collection, storage and reporting of the data in this information collection requires the services of three full-time Bureau employees and approximate \$633,000 dollars in annual costs for contracting and O&M support.

¹¹ The Legal Entity Identifier is an identifier issued to the financial institution by a utility endorsed by the Global LEI Foundation or LEI Regulatory Oversight Committee.

15. Program Changes or Adjustments for Bureau Reporters

	Total Respondents	Annual Responses	Burden Hours	Cost Burden (O & M)
Total Annual Burden Requested	135	135	1,500,000	\$1,286,000
Current OMB Inventory	145	145	690,000	\$0
Difference (+/-)	-10	-10	+810,000	\$1,286,000
Program Change				
Discretionary	0	0	0	\$0
New Statute	-40	-40	-470,520	-\$370,000
Violation	0	0	0	\$0
Adjustment	30	30	1,280,520	1,656,000

The program changes are a result of the October 2019 final rule that the Bureau has issued on its website pursuant to EGRRCPA in regard to the reporting threshold¹². The adjustments result from the inclusion of burden for portions of the 2016 final rule¹³ which included provisions that were not previously active.

16. Plans for Tabulation, Statistical Analysis, and Publication

The information is collected for use by the Bureau's examination program and for disclosure to the public after deletion of certain sensitive data elements.

17. Display of Expiration Date

The OMB number will be displayed in the PRA section of the notice of final rulemaking and published in the *Federal Register* and all appropriate forms and instructions and guidance documents for collection this information. Further, the OMB control number and expiration date will be displayed on the Federal government's electronic PRA docket at www.reginfo.gov.

18. Exceptions to the Certification Requirement

The Bureau certifies that this collection of information is consistent with the requirements of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8(b)(3) and is not seeking an exemption to these certification requirements.

¹² RIN 3170-AA76 - <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/home-mortgage-disclosure-regulation-c-2019-final-rule/>.

¹³ 80 FR 66128, RIN 3170-AA10 (October 28, 2015).