

**Supporting Statement for the  
Reporting, Recordkeeping, and Disclosure Requirements Associated with CFPB's  
Home Mortgage Disclosure Act Loan/Application Register Required by Regulation C  
(FR HMDA LAR; OMB No. 7100-0247)**

**Summary**

The Board of Governors of the Federal Reserve System (Board), under authority delegated by the Office of Management and Budget (OMB), has extended for three years, without revision, the Reporting, Recordkeeping, and Disclosure Requirements Associated with CFPB's Home Mortgage Disclosure Act Loan/Application Register Required by Regulation C (FR HMDA LAR; OMB No. 7100-0247).<sup>1</sup> Although the Consumer Financial Protection Bureau (CFPB) is now responsible for issuing Home Mortgage Disclosure Act (HMDA) regulations, the Paperwork Reduction Act (PRA) requires the Board to renew every three years the information collections required of institutions the Board supervises.

The HMDA was enacted in 1975 and is implemented by Regulation C. Generally, the HMDA requires certain depository and non-depository institutions that make certain mortgage loans to collect, report, and disclose data about originations and purchases of mortgage loans, as well as loan applications that do not result in originations (for example, applications that are denied or withdrawn). The HMDA was enacted to provide regulators and the public with loan data that can be used to (1) help determine whether financial institutions are serving the housing needs of their communities, (2) assist public officials in distributing public-sector investments so as to attract private investment to areas where it is needed, and (3) assist in identifying possible discriminatory lending patterns and enforcing anti-discrimination statutes.<sup>2</sup> Supervisory agencies, state and local public officials, and members of the public use the data to aid in the enforcement of the Community Reinvestment Act (CRA), the Equal Credit Opportunity Act, and the Fair Housing Act and to aid in identifying areas for residential redevelopment and rehabilitation.

The estimated total annual burden for the FR HMDA LAR is 960,235 hours. The form and instructions are available on the Board's public website at <https://www.federalreserve.gov/apps/reportingforms>.

**Background and Justification**

On July 21, 2011, rulemaking authority for the HMDA was transferred from the Board to the CFPB under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act).<sup>3</sup> The Dodd-Frank Act also transferred the HMDA supervisory and enforcement authority for large depository institutions over \$10 billion from the Board, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and National Credit Union Administration to the CFPB.<sup>4</sup>

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<sup>1</sup> The HMDA is codified at 12 U.S.C. §§ 2801-2810; Regulation C is located at 12 CFR Part 1003.

<sup>2</sup> See 12 CFR 1003.1(b).

<sup>3</sup> See section 1094 of the Dodd-Frank Act, Pub. L. 111-203, 124 Stat. 2097 (2010), 12 U.S.C. § 2803 et seq.

<sup>4</sup> See section 1025 of the Dodd-Frank Act, 12 U.S.C. § 5515.

On October 28, 2015, the CFPB issued final rules<sup>5</sup> that expand the data collected and reported under the HMDA, which is implemented by Regulation C (2015 Final Rule).<sup>6</sup> The 2015 Final Rule also modified the types of lenders and loans covered under Regulation C. In October 2017, the CFPB issued a final rule further amending Regulation C to make technical corrections and clarify and amend requirements adopted by the 2015 Final Rule, and also to temporarily increase for two years the loan threshold used to help determine when lenders must report data on open-end lines of credit.<sup>7</sup> Information collections under the changes made by the 2015 Final Rule, as amended in 2017, began in January 2018.

On May 24, 2018, the President signed into law the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA). Section 104(a) of the EGRRCPA amended the HMDA to exempt certain insured depository institutions and insured credit unions from collecting and reporting those data fields that were required by the HMDA sections 304(b)(5) and (6), as implemented by the CFPB's final rules in Regulation C, if they satisfy certain criteria, including meeting the applicable performance evaluation rating standards under the CRA.<sup>8</sup>

In 2018, the CFPB issued an interpretative and procedural rule (2018 Statement) that generally outlined the availability of the partial exemption for eligible institutions, and stated that additional guidance on the applicability of section 104(a) of the EGRRCPA to the HMDA data collected in 2018 would be forthcoming.<sup>9</sup> On October 29, 2019, the CFPB published a final rule that incorporates this 2018 Statement and further implemented section 104(a) of the EGRRCPA (2019 Final Rule).<sup>10</sup> The 2019 Final Rule also extended for two years, until January 1, 2022, the temporary open-end coverage threshold of 500 open-end lines of credit, but did not add any new reporting requirements beyond those required by the 2015 Final Rule, as amended in 2017.

In May 2020, the CFPB published final rules<sup>11</sup> that adjust the permanent coverage thresholds for collecting and reporting data about closed-end mortgages and open-end lines of credit (2020 Final Rule). The 2020 Final Rule increased the loan threshold used to determine, among other things, if a lender is covered by the HMDA and must collect, report, and disclose any data on its closed-end mortgage lending activity from 25 to 100 closed-end mortgage loans in each of the two preceding years. Relief from information collection with respect to closed-end mortgage lending under changes made by this final rule became effective on July 1, 2020.

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<sup>5</sup> See 80 FR 66128 (October 28, 2015).

<sup>6</sup> These data fields are discussed in the "Description of Information Collection" below.

<sup>7</sup> See 82 FR 43088 (September 13, 2017).

<sup>8</sup> See section 104(a) of the Economic Growth, Regulatory Relief, and Consumer Protection Act, Pub. L. 115-174, 132 Stat. 1300 (2018), 12 U.S.C. § 2803.

<sup>9</sup> See CFPB of Consumer Financial Protection Issues Statement on the Implementation of the Economic Growth, Regulatory Relief, and Consumer Protection Act Amendments to the Home Mortgage Disclosure Act at <https://www.consumerfinance.gov/about-us/newsroom/CFPB-consumer-financial-protection-issues-statement-implementation-economic-growth-regulatory-relief-and-consumer-protection-act-amendments-home-mortgage-disclosure-act/> (July 5, 2018) (2018 Statement).

<sup>10</sup> See 84 FR 57946 (October 29, 2019). This final rule also amended Regulation C to adjust the threshold for reporting data on open-end lines of credit by extending to January 1, 2022, the existing temporary threshold of 500 open-end lines of credit. This final rule is discussed further in the "Description of Information Collection" below.

<sup>11</sup> See 85 FR 28364 (May 12, 2020).

The 2020 Final Rule also increased the permanent threshold for reporting data about open-end lines of credit from 100 to 200 or more such loans met in each of the two preceding years effective January 1, 2022, which is when the previous, temporary loan threshold of 500 or more open-end lines of credit expired. Relief with respect to information collection on open-end lines of credit lending under the new permanent threshold became effective on January 1, 2022.

In September 2022, the U.S. District Court for the District of Columbia vacated a portion of the 2020 Final Rule that established the permanent loan threshold for collecting and reporting data about closed-end mortgage loans.<sup>12</sup> As a result of the court's order, the CFPB published a technical amendment in December 2022 updating the Code of Federal Regulations to reflect a reporting threshold of 25 closed-end mortgage loans in each of the two preceding calendar years, which is the threshold set by the 2015 Final Rule.<sup>13</sup>

Substantially, all information collected under HMDA is not otherwise readily available to the public. Certain private data vendors offer a few large, loan-level mortgage databases for sale, but those generally do not match the comprehensive national coverage of the HMDA data. In addition, unlike HMDA, most commercially available loan-level databases cover originated loans only and do not include applications that did not result in an origination.

Regulation C generally requires financial institutions to submit HMDA data in electronic form. The CFPB 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, to facilitate this process. In addition, the CFPB developed a tool that financial institutions with small volumes of HMDA data can use to create an electronic file for submission to the HMDA Platform.

## **Description of Information Collection**

The HMDA, implemented by Regulation C, requires covered financial institutions to collect, record, report, and disclose information about their mortgage lending activity.

### **Reporting Requirements**

Regulation C requires a financial institution to report loan data under the HMDA if it has at least one home or branch office in a metropolitan statistical area (MSA) and also meets certain coverage tests (covered institutions). The coverage tests differ slightly based on whether a lender is a depository or a non-depository institution:

- Depository institutions are required to report under the HMDA if they have assets exceeding \$56 million<sup>14</sup> as of December 31, 2023, originate at least one first-lien home purchase or home purchase refinance loan in the preceding year (regardless of other

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<sup>12</sup> Memorandum Opinion, National Community Reinvestment Coalition, et al. v. CFPB (D.D.C. 2022), [https://ecf.dcd.uscourts.gov/cgi-bin/show\\_public\\_doc?2020cv2074-26](https://ecf.dcd.uscourts.gov/cgi-bin/show_public_doc?2020cv2074-26). The court upheld the CFPB's May 2020 changes to the threshold for reporting open-end lines of credit.

<sup>13</sup> 87 FR 77980 (December 21, 2022).

<sup>14</sup> The asset-size threshold amount is adjusted annually based on the annual percentage change of the Consumer Price Index for Urban Wage Earners and Clerical Workers.

home secured loans), and meet the applicable loan threshold criteria discussed below.<sup>15</sup>

- Non-depository mortgage lenders are required to report under the HMDA if they meet the applicable loan threshold criteria discussed below.

A financial institution that is otherwise not eligible for a partial exemption under section 104(a) of the EGRRCPA, as discussed further below, is required to collect and report all data points required under the HMDA on applications for covered loans that it receives, covered loans that it originates, and covered loans that it purchases if it *either* originates 25 or more closed-end mortgage loans or 200 or more open-end lines of credit<sup>16</sup> secured by a dwelling in each of the two preceding years, in addition to meeting other applicable coverage criteria discussed above. An institution only reports a covered loan if it has met the loan origination threshold for that respective loan category (open-end or closed-end).

Covered institutions must collect and report any mortgage loan secured by a dwelling, including open-end lines of credit, regardless of the loan's purpose. However, certain other loans are excluded, such as unsecured home-improvement loans, dwelling-secured loans that are made principally for a commercial or business purpose, agricultural-purpose loans, and other specifically excluded loans.<sup>17</sup>

Regulation C requires collection of a set of data points. For covered institutions that are otherwise not eligible for the partial exemption under section 104(a) of the EGRRCPA, as discussed further below, these data points broadly include:

- information about the applicant or borrower, such as age and credit score,
- information about the loan pricing, such as the borrower's total cost to obtain a mortgage, temporary introductory rates, and borrower-paid origination charges,
- information about loan features, such as the loan term, prepayment penalties, or non-amortizing features (such as interest only or balloon payments), and
- additional information about property securing the loan, such as property value and property type.

In addition, Regulation C requires collection and reporting of information regarding an applicant's or borrower's ethnicity, race and sex.<sup>18</sup>

An institution that originates fewer than 500 closed-end mortgage loans (but at least 25 closed-end mortgage loans), or fewer than 500 open-end lines of credit (but at least 200 open-end lines of credit), in each of the two preceding calendar years and otherwise meets the applicable performance evaluation rating standards under the CRA is eligible for the partial exemption under section 104(a) of the EGRRCPA and is only required to report a subset of the data points

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<sup>15</sup> In addition, the depository institution must be federally insured or regulated, or the loan must be insured, guaranteed, or supplemented by a Federal agency or intended for sale to one of the government-sponsored enterprises (GSEs).

<sup>16</sup> 12 CFR 1003.2(g)(1)(v).

<sup>17</sup> See 12 CFR 1003.2(e).

<sup>18</sup> For the complete list of data points, see 12 CFR 1003.4.

under the HMDA for the respective loan category.<sup>19</sup> An institution is not eligible for this partial exemption, and therefore must collect and report these data points, if it received ratings of “needs to improve” in each of its two most recent CRA examinations or if it received a rating of “substantial noncompliance” on its most recent CRA examination as of December 31<sup>st</sup> of the preceding year. An institution only reports the partial set of data on a covered loan if it has met the requisite loan origination threshold for that respective loan category (open-end or closed-end). That is, an institution that originates fewer than 500 closed-end mortgage loans in each of the two preceding years reports only a subset of data points for those closed-end mortgage loans, and an institution that originates fewer than 500 open-end lines of credit reports in each of the two preceding years reports only a subset of data points for those open-end lines of credit. Consistent with section 104(a) of the EGRRCPA and the CFPB’s final rules fully implementing this statutory amendment to the HMDA,<sup>20</sup> the Board estimates that institutions eligible for the partial exemption report approximately half the data points currently required by the CFPB’s final rules on the loans described above.

### **Recordkeeping Requirements**

Under Regulation C, a covered institution must record data from covered mortgage lending applications and loans, which it then reports to the applicable Federal supervisory agency, discussed in “Reporting Requirements.” An institution is required to record data on each application or loan within 30 calendar days after the end of the calendar quarter during which the institution took final action.

A covered institution is also subject to recordkeeping requirements after data is reported. For three years, a covered institution is required to retain its loan application register (LAR or HMDA LAR), the document which contains the recorded data on each application and loan. Financial institutions may maintain their annual HMDA LARs in either paper or electronic form.

### **Disclosure Requirements**

The Federal Financial Institutions Examination Council (FFIEC) prepares an individual disclosure statement for each financial institution using the HMDA data that each financial institution submits on its HMDA LAR, and provides a notice to the covered institution when such statement is available. Within three business days of receiving the notice from the FFIEC, the institution must make available to the public upon request, for five years, a written notice that states the institution’s disclosure statement may be obtained on the CFPB’s website at <https://www.consumerfinance.gov/data-research/hmda/>.

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<sup>19</sup> Section 104(a) of the EGRRCPA provides a partial exemption to the data collection and reporting requirements under the HMDA for institutions that originate fewer than 500 open-end lines of credit in each of the two preceding calendar years. Institutions eligible for this partial exemption were effectively exempt from all data collection and reporting requirements due to the temporary 500 open-end line of credit thresholds provided by the CFPB until January 1, 2022.

<sup>20</sup> See 84 FR 57946, which provides that for loans subject to the partial exemption, institutions are exempt from the collection, recording, and reporting requirements for 26 of the 48 data points currently set forth in Regulation C and identified and defined as “optional data.” See also 12 CFR 1003.3(d)(1)(iii), which defines optional data to encompass 26 of the 48 data points currently set forth in Regulation C.

In addition, for three years, a covered institution is required to provide to the public upon request a notice that its modified HMDA LAR, which is the institution's LAR that has certain information redacted to protect the privacy of its applicants and borrowers, can be obtained on the CFPB's website at <https://www.consumerfinance.gov/data-research/hmda/>.<sup>21</sup>

A financial institution must also post in the lobby of its home office and each branch office physically located in an MSA or Metropolitan Division (MD) a general notice about the availability of its HMDA data on the CFPB's website. Regulation C provides sample language that covered institutions can use for these purposes.<sup>22</sup>

The CFPB collects the HMDA LAR data on behalf of the applicable Federal supervisory agency, and the data is combined and aggregated for each MSA. Certain aggregated data area publicly available, though the CFPB has yet to determine if the information collected in the new data fields required by the 2015 Final Rule will be disclosed publicly (for more information see "Public Availability of Data" section below).

### **Respondent Panel**

The FR HMDA LAR panel comprises the following types of institutions, except those that are supervised by the CFPB: state member banks, their subsidiaries, subsidiaries of bank holding companies, subsidiaries of savings and loan holding companies, U.S. branches and agencies of foreign banks (other than federal branches, federal agencies, and insured state branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act (12 U.S.C. §§ 601-604a; 611-631). The CFPB supervises, in addition to nonbank entities, insured depository institutions with over \$10 billion in assets and their affiliates (including affiliates that are themselves depository institutions regardless of asset size and subsidiaries of such affiliates).

### **Frequency and Time Schedule**

#### *Reporting Requirements*

A covered institution is required to submit to the applicable Federal supervisory agency a completed LAR. Each covered institution is required to submit annually the completed LAR in electronic format to the applicable Federal supervisory agency by March 1<sup>st</sup> of the year following the year covered by the LAR.

Covered institutions are required to record data on each of its covered mortgage lending application or loan within 30 calendar days after the end of the calendar quarter during which the institution took final action. Additionally, institutions with a high volume of lending must also electronically submit their HMDA data for the first three quarters of the year on a quarterly basis, within 60 days of the end of each quarter.<sup>23</sup> Those institutions subject to quarterly

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<sup>21</sup> See 12 CFR 1003.5(b)(2).

<sup>22</sup> See 12 CFR 1003.5(e).

<sup>23</sup> See 12 CFR 1003.5(a)(1)(ii).

reporting requirements (quarterly reporters) will be those that reported 60,000 or more applications and covered loans (combined) in the preceding calendar year, excluding certain purchased loans. Certification for accuracy of the quarterly reports are not required, but continue to be required to submit certified HMDA data on an annual basis (i.e., March 1<sup>st</sup> annual report). In addition, all reporting institutions that submit incorrect information may be required to correct and resubmit the information.

#### *Recordkeeping Requirements*

Covered institutions are also required to maintain data on each of its covered mortgage lending application or loan within 30 calendar days after the end of the calendar quarter during which the institution took final action and retain such information, in either paper or electronic form, provided the institution can make the information available to its regulatory agency in a timely manner upon request.

Covered institutions are also required to retain their annual reports for three years. Financial institutions may maintain their annual HMDA LARs in either paper or electronic form.

#### *Disclosure Requirements*

As stated above, the FFIEC prepares individual disclosure statements for each financial institution using the HMDA data that each financial institution submits on its HMDA LAR, and provides a notice to the covered institution when such statements are available. Within three business days of receiving the notice from the FFIEC, institutions must make available to the public upon request, for five years, a written notice that states the institution's disclosure statement may be obtained on the CFPB's website at <https://www.consumerfinance.gov/data-research/hmda/>.

In addition, for three years, a covered institution is required to provide to the public upon request a notice that its modified HMDA LAR (the institution's LAR that is modified to redact certain information to protect the privacy of its applicants and borrowers) can be obtained on the CFPB's website at <https://www.consumerfinance.gov/data-research/hmda/>.

#### **Public Availability of Data**

Financial institutions' public disclosure statements, as modified by the CFPB for purposes of applicant and borrower privacy, as well as aggregate HMDA data reports, are available on the CFPB's website at <https://www.consumerfinance.gov/data-research/hmda/> and the FFIEC's website at <https://ffiec.cfpb.gov/>.

#### **Legal Status**

The FR HMDA LAR is authorized pursuant to section 304(j) of the HMDA, which requires that the Bureau prescribe by regulation the form of loan application register information that must be reported by covered financial institutions (12 U.S.C. § 2803(j)). Section 1003.5 of Regulation C implements this statutory provision, and requires covered financial institutions to

submit reports to their appropriate federal agency (12 CFR Part 1003.5). Section 304(h)(2)(A) of the HMDA designates the Board as the appropriate agency with respect to the entities described above (12 U.S.C. § 2803(h)(2)(A)). The FR HMDA LAR is mandatory.

The HMDA requires the information collected on the FR HMDA LAR to be made available to the general public in the form required under regulations prescribed by the CFPB (12 U.S.C. § 2803(j)). The CFPB is authorized to redact or modify the scope of the information before it is publicly disclosed to protect the privacy of loan applicants and to protect depository institutions from liability under any federal or state privacy law (12 U.S.C. § 2803(j)(2)(B)). The redacted information may be kept confidential under exemption 6 of the Freedom of Information Act, which protects from release information that, if disclosed, would “constitute a clearly unwarranted invasion of personal privacy” (5 U.S.C. § 552(b)(6)).

### **Consultation Outside the Agency**

There has been no consultation outside the Federal Reserve System.

### **Public Comments**

On June 7, 2024, the Board published an initial notice in the *Federal Register* (89 FR 48636) requesting public comment for 60 days on the extension, without revision, of the FR HMDA LAR. The comment period for this notice expired on August 6, 2024. The Board did not receive any comments. The Board adopted the extension, without revision, of the FR HMDA LAR as originally proposed. On October 29, 2024, the Board published a final notice in the *Federal Register* (89 FR 85969).

### **Estimate of Respondent Burden**

As shown in the table below, the estimated total annual burden for the FR HMDA LAR is 960,235 hours.

The Board relied on the CFPB’s burden estimate methodology for all burden calculations herein. For the purpose of calculating burden, the CFPB places institutions into one of three tiers, and the Board followed this approach. Tier 1 denotes an institution with the highest level of complexity, Tier 2 denotes a representative financial institution with a moderate level of complexity, and Tier 3 denotes a representative financial institution with the lowest level of complexity.

The CFPB first assumed that, for institutions reporting closed-end mortgage loans (referenced herein as “closed-end reporters”), the Tier 1 representative financial institution has 50,000 records, the Tier 2 representative has 1,000 records, and the Tier 3 representative has 25 records on the HMDA LAR. The CFPB also applied an additional constraint that classified any institution with over 10,000 records as possessing a high level of complexity; therefore, these institutions are assigned to Tier 1.



For institutions reporting open-end mortgage loans (referenced herein as “open-end reporters”), the CFPB adopted the three-tier approach and most of the key assumptions used for closed-end reporters above, with two modifications. First, for the representative low-complexity open-end reporter, the CFPB assumed that the number of open-end lines of credit applications would be 150. This was set to both accommodate the now expired permanent threshold of 100 open-end lines of credit and to reasonably reflect the likely distribution among the smallest open-end reporters based on the CFPB’s estimated number of likely open-end reporters and their volumes. Second, for the representative high-complexity open-end reporter, the CFPB assumed that the number of open-end line of credit applications would be 30,000. The CFPB also applied an additional constraint that classified any institution with over 7,000 records as possessing a high level of complexity; therefore, these institutions are assigned to Tier 1. This reflects a reasonable distribution among the largest open-end reporters based on the CFPB’s estimated number of likely open-end reporters and their volumes. The CFPB assumes that the number of open-end line of credit applications for the representative moderate-complexity open-end reporter would still be 1,000, just as for the moderate-complexity closed-end reporter.

## **Reporting**

The CFPB considers most tasks that financial institutions undertake to gather and report data as covered by the reporting requirements. Under the CFPB’s methodology, the reporting requirements encompass 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 a 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. The CFPB estimates that annually-reporting Tier 2 and Tier 1 financial institutions would spend approximately 1,232 hours and 5,969 hours per year meeting reporting requirements, respectively. Further, financial institutions with 60,000 covered loans and applications, combined, excluding purchased covered loans, that are required to report quarterly are Tier 1 institutions. For these institutions, the CFPB estimated that it would require 934 burden hours in addition to the burden hours associated with annual reporting.

An institution that is eligible for the partial exemption under section 104(a) of EGRRCPA is only required to report a subset of the data points required under HMDA if it originates fewer than 500 closed-end mortgage loans, but at least 25 closed-end mortgage loans, in each of the two preceding calendar years. For Board-supervised institutions, this partial exemption applies to all Tier 3 institutions and a majority of the Tier 2 institutions (Tier 3 Partial Reporter or Tier 2 Partial Reporter, respectively). The Board estimates that Tier 3 and Tier 2 financial institutions eligible for the partial exemption would spend approximately 64 hours and 986 hours per year meeting the reporting requirements, respectively with the partial exemption.

## **Recordkeeping**

Under the CFPB’s methodology, the recordkeeping requirement encompasses 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 CFPB believes the primary time burden is the time needed to copy this information to electronic data storage devices, such as a hard drive or disk. The calculation of the burden hours for recordkeeping requirements is based on the estimated cost of transcribing the data. The CFPB estimates that Tier 3, Tier 2, and Tier 1 financial institutions spend approximately 27 hours, 83 hours, and 4,130 hours per year transcribing data, respectively.

### **Disclosure**

The calculation of burden hours for disclosure requirements is based on the estimated cost of creating a modified loan/application register, distributing the modified loan/application register, and creating the notice for obtaining the disclosure statements. The CFPB estimates that Tier 3, Tier 2, and Tier 1 financial institutions would spend approximately zero hours, zero hours, and five hours per year, respectively, meeting these requirements. The estimated time burden would be the same for quarterly reporters and annual reporters.

These reporting, recordkeeping, and disclosure requirements represent approximately 14.36 percent of the Board's total paperwork burden.

<b>FR HMDA LAR</b>	<i>Estimated number of respondents<sup>24</sup></i>	<i>Estimated annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours<sup>25</sup></i>
<b>Reporting</b>				
Tier 1 Annual Reporter	17	1	5,969	101,473
Tier 1 Quarterly Reporter	2	4	6,903	55,224
Tier 2	214	1	1,232	263,648
Tier 2 Partial Reporter	389	1	986	383,554
Tier 3 Partial Reporter	32	1	64	2,048
<b>Recordkeeping</b>				
Tier 1 Annual Reporter	17	1	4,130	70,210
Tier 1 Quarterly Reporter	2	4	4,130	33,040
Tier 2	603	1	83	50,049
Tier 3	32	1	27	864
<b>Disclosure<sup>26</sup></b>				
Tier 1 Annual Reporter	17	1	5	85
Tier 1 Quarterly Reporter	2	4	5	<u>40</u>
<i>Total</i>				960,235

The estimated total annual cost to the public for the FR HMDA LAR is \$67,072,415.<sup>27</sup>

## Sensitive Questions

Institutions must generally request that applicants for covered loans provide information about their sex, race, and ethnicity. For applications taken in person, the institution must generally infer the information based on visual observation or surname if an applicant declines to

<sup>24</sup> Of these respondents, 0 Tier 1 respondents, 141 Tier 2 respondents, and 24 Tier 3 respondents are considered small entities as defined by the Small Business Administration (i.e., entities with \$850 million or less in total assets). Size standards effective March 17, 2023. See <https://www.sba.gov/document/support-table-size-standards>.

<sup>25</sup> The estimates of adopted burden in the table include reporting of closed-end mortgage loans for all respondents indicated in the number of respondents column, plus reporting of open-end lines of credit for the subset of respondents that will also be required to report open-end lines of credit. The total burden per respondent in the table is total burden divided by number of respondents, and therefore does not reflect the specific burden hours for either respondents that report only closed-end mortgage loans or that report both closed-end mortgage loans and open-end lines of credit.

<sup>26</sup> The Board estimates that the disclosure burden for Tier 2 and Tier 3 institutions is negligible.

<sup>27</sup> Total cost to the responding public is estimated using the following formula: total burden hours, multiplied by the cost of staffing, where the cost of staffing is calculated as a percent of time for each occupational group multiplied by the group's hourly rate and then summed (30% Office & Administrative Support at \$23, 45% Financial Managers at \$84, 15% Lawyers at \$85, and 10% Chief Executives at \$124). Hourly rates for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor Statistics (BLS), *Occupational Employment and Wages, May 2023*, published April 3, 2024, <https://www.bls.gov/news.release/ocwage.t01.htm>. Occupations are defined using the BLS Standard Occupational Classification System, <https://www.bls.gov/soc/>.

provide the information.<sup>28</sup> The purpose of collecting this information is to assist in identifying possible discriminatory lending patterns and enforcing anti-discrimination statutes.

### **Estimate of Cost to the Federal Reserve System**

The estimated cost to the Federal Reserve System for collecting and processing this information collection is negligible.

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<sup>28</sup> See 12 CFR 1003.4(b).