



**America's  
Credit Unions**

February 9, 2026

Comment Intake  
Consumer Financial Protection Bureau  
Attention: PRA Office  
1700 G Street NW  
Washington, DC 20052

**RE: Home Mortgage Disclosure Act (Regulation C); Docket No. CFPB–2025–0049**

To Whom It May Concern:

On behalf of America's Credit Unions, I am writing in response to the Consumer Financial Protection Bureau's (CFPB or Bureau) notice and request for comment (RFC) on an information collection to be submitted to the Office of Management and Budget (OMB) pertaining to the agency's Regulation C, which implements the Home Mortgage Disclosure Act (HMDA).<sup>1</sup> America's Credit Unions is the voice of consumers' best option for financial services: credit unions. We advocate for policies that allow the industry to effectively meet the needs of their over 145 million members nationwide. As provided below, we urge the Bureau to take meaningful steps to reduce unnecessary burden associated with current HMDA reporting requirements, both for credit unions that will continue to report under HMDA and for smaller lenders that would benefit from a revised reporting threshold. We offer several recommendations to streamline HMDA data collection, including aligning required data points more closely with statutory requirements and revising the closed-end HMDA reporting threshold from its current level of 25 loans to at least 500 loans.

### **Burden of Current HMDA Reporting Requirements**

In response to the Bureau's RFC on its HMDA information collection, America's Credit Unions emphasizes that current HMDA reporting requirements impose significant burden on credit unions while often requiring the collection of data that provides little practical supervisory or analytical benefit. Although credit unions support HMDA's transparency and fair lending goals, the scope and structure of the current reporting framework have become overly complex and insufficiently tailored to HMDA's statutory purposes. The Bureau should use this information collection review to reassess whether the existing data requirements remain necessary, effective, and appropriately aligned with how mortgage lending is actually conducted.

For many credit unions and other community-based lenders, HMDA reporting has become an increasingly manual and resource-intensive process that frequently focuses on

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<sup>1</sup> 90 Fed. Reg. 57,184 (Dec. 10, 2025).

correcting and reconciling data rather than producing meaningful information. Compliance staff must track dozens of data points across multiple systems, reconcile discrepancies, and make post-action updates long after a credit decision has been made. These burdens are compounded when data fields require subjective judgment calls, duplicate entries, or ongoing tracking that is not clearly connected to HMDA's core objectives.

## **Recommendations to Improve HMDA Data Collection**

### *Eliminate or limit free-form demographic text fields*

Free-form text fields, particularly those related to race and ethnicity, frequently generate inconsistent, duplicative, or unclear responses. In practice, these fields often require follow-up corrections and manual review without adding meaningful analytical value. Eliminating free-form demographic entries would immediately reduce reporting complexity while improving data consistency and reliability.

### *Reduce the number of required reportable data points*

HMDA reporting has expanded far beyond its original scope, creating significant operational strain without corresponding benefits. In prior HMDA-related rulemakings, America's Credit Unions' legacy organizations consistently urged the Bureau to scale back HMDA data fields added beyond those required by statute, noting that many discretionary data points impose substantial compliance costs while offering limited analytical value.<sup>2</sup> Consistent with those comments, the CFPB should consider reverting to a more streamlined data set that focuses on core loan, applicant, and outcome information. A simplified structure, similar to pre-2018 reporting, would better align compliance costs with HMDA's objectives while preserving essential transparency.

### *Limit post-action data updates*

Requirements to update HMDA fields after an application has been actioned create ongoing compliance burdens and increase the risk of inadvertent errors. Data points such as loan costs, purchaser information, and automated underwriting results often change after closing or are not finalized at the time action is taken. Requiring institutions to continuously monitor and revise previously reported data provides little regulatory benefit while imposing disproportionate compliance costs. The Bureau should allow reporting based on information known at the time action is taken, without mandatory post-closing revisions.

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<sup>2</sup> Credit Union National Association letter to CFPB re HMDA Reporting (June 11, 2019), [https://downloads.regulations.gov/CFPB-2019-0021-0242/attachment\\_1.pdf](https://downloads.regulations.gov/CFPB-2019-0021-0242/attachment_1.pdf); National Association of Federally-Insured Credit Unions letter to CFPB re HMDA Reporting (June 12, 2019), [https://downloads.regulations.gov/CFPB-2019-0021-0349/attachment\\_1.pdf](https://downloads.regulations.gov/CFPB-2019-0021-0349/attachment_1.pdf).

### *Address challenges with manufactured housing data collection*

Manufactured housing data fields are particularly problematic for applications submitted online or those that do not make it beyond initial screening. In many cases, applicants do not understand the questions being asked, or the information is never obtained because the application does not advance far enough in the process. If these data points are retained, the Bureau should allow standardized “not provided” or “unknown” responses to avoid assumptions and inaccurate reporting.

Targeted changes to HMDA data fields would significantly reduce the burden on credit unions that remain subject to HMDA reporting. Separately, revisiting the closed-end reporting threshold would provide relief for smaller lenders that are required to report despite limited mortgage activity. Accordingly, we also urge the Bureau to revisit the current coverage threshold, as discussed below.

### **Background on HMDA Reporting Threshold**

Understanding how HMDA has evolved helps put the current requirements in context. HMDA, first adopted in 1975, is implemented through the Bureau’s Regulation C.<sup>3</sup> In 2010, Congress enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act),<sup>4</sup> which included an expanded scope of HMDA. In 2015, the Bureau published the 2015 HMDA Final Rule implementing the Dodd-Frank Act amendments to HMDA, which significantly expanded HMDA’s coverage and reporting requirements.<sup>5</sup>

The 2015 HMDA Final Rule set the institutional coverage threshold at 25 closed-end mortgage loans or 100 open-end lines of credit, effective January 1, 2018. In 2017, the Bureau issued amendments to the 2015 HMDA Final Rule temporarily adjusting the institutional coverage threshold for open-end lines of credit to 500, while it considered the proper threshold for these loans.<sup>6</sup> The temporary threshold was effective January 1, 2018, and expired January 1, 2020.<sup>7</sup>

On May 24, 2018, the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) was enacted.<sup>8</sup> EGRRCPA created partial exemptions for reporting on certain data points for institutions that originated fewer than 500 closed-end mortgages or open-end lines of credit in each of the two preceding calendar years.<sup>9</sup> These provisions were

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<sup>3</sup> 12 C.F.R. Part 1003.

<sup>4</sup> Public Law 111-203, 124 Stat. 1376, 1980, 2035-38, 2097-101 (2010).

<sup>5</sup> *Id.*

<sup>6</sup> Home Mortgage Disclosure (Regulation C) (2017 Amendments), 82 Fed. Reg. 43,088 (Sept. 13, 2017).

<sup>7</sup> *Id.*

<sup>8</sup> Pub. L. 115-174, 132 Stat. 1296 (2018).

<sup>9</sup> *Id.* at §104(a).

immediately effective, and in August 2018, the Bureau issued a rule to implement and clarify the legislation.<sup>10</sup>

In October 2019, the Bureau issued a final rule extending the temporary threshold of 500 open-end lines of credit until January 1, 2022.<sup>11</sup> Then, in May 2020, the threshold for closed-end mortgage loans increased to 100 and the threshold for open-end lines of credit was permanently set at 200, following the expiration of the temporary threshold.<sup>12</sup>

In September 2022, the U.S. District Court for the District of Columbia vacated the CFPB's 2020 rule that had increased the threshold for closed-end mortgage loans from 25 to 100 loans.<sup>13</sup> As a result, the threshold reverted to the 25-loan level established in the 2015 rule, which remains in effect today.

### **Need to Update Current Threshold**

As detailed in a recent letter<sup>14</sup> from America's Credit Unions, we strongly urge the CFPB to balance the statutory requirements of HMDA with appropriately tailored regulations. The CFPB has acknowledged that community-based lenders consistently maintain sound credit practices. Nevertheless, the HMDA rule has disproportionately burdened these institutions, which have limited resources, despite no evidence of past conduct that would justify the Bureau's targeted focus. The current regulatory environment favors the largest banks and non-bank mortgage lenders, which can absorb the significant regulatory and compliance costs associated with HMDA reporting. This burden makes it more difficult for credit unions to provide the affordable financial services their members depend on and deserve.

It is increasingly difficult for small lenders to effectively participate in the mortgage lending market when required to comply with rules not tailored to their size or structure. Compliance entails substantial costs: staff time and resources must be applied to determine requirements; forms and disclosures must be updated; data processing systems must be reprogrammed; and staff must be retrained. It also requires time and resources to communicate regulatory changes to members, particularly when they are frustrated by impacts on products and services.

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<sup>10</sup> Partial Exemptions from the Requirements of the Home Mortgage Disclosure Act Under the Economic Growth, Regulatory Relief, and Consumer Protection Act (Regulation C), 83 Fed. Reg. 45,325 (Sept. 7, 2018).

<sup>11</sup> Home Mortgage Disclosure (Regulation C), 84 Fed. Reg. 57,946 (Oct. 29, 2019).

<sup>12</sup> Home Mortgage Disclosure (Regulation C), 85 Fed. Reg. 28,364 (May 12, 2020).

<sup>13</sup> National Community Reinvestment Coalition v. CFPB, No. 1:20-cv-02074 (D.D.C. Sept. 23, 2022).

<sup>14</sup> America's Credit Unions letter to CFPB re Modernizing HMDA Reporting Requirements to Support Smaller Lenders (Oct. 20, 2025), [https://americascus.widen.net/view/pdf/c2ffa24a-af31-4d48-91ce-33726a10591f/CL - CFPB - HMDA Reporting Threshold\\_ACU\\_final.pdf](https://americascus.widen.net/view/pdf/c2ffa24a-af31-4d48-91ce-33726a10591f/CL - CFPB - HMDA Reporting Threshold_ACU_final.pdf).

Accordingly, America's Credit Unions ask the CFPB to take steps to make HMDA more workable for smaller lenders while preserving its essential goals. As such, we urge the CFPB to reconsider the closed-end HMDA reporting threshold and explore whether adjustments could be made to better balance the objectives of HMDA with the reporting burden on smaller institutions. Since the 2022 court decision, the threshold has remained at 25 loans, a level that likely captures many small lenders whose reporting imposes significant operational and compliance costs without substantially improving data utility for the CFPB.

We believe that raising the threshold to at least 500 loans is a practical and balanced solution that would significantly reduce unnecessary compliance burdens while preserving meaningful transparency and oversight. We also urge the Bureau to solicit input from industry stakeholders on both the current threshold and potential alternatives, including whether different thresholds should apply to smaller lenders. Such engagement would help ensure that any revisions are well-justified, aligned with HMDA's objectives, and tailored to the operational realities of credit unions. Further, doing so would be fully consistent with the Administration's efforts to reduce unnecessary regulatory burdens.

### **Legal Basis for Reassessing the HMDA Threshold**

As we detailed in a November 2025 letter to the Bureau,<sup>15</sup> we believe that the CFPB can and should revisit the threshold through a formal rulemaking under the Administrative Procedure Act (APA),<sup>16</sup> making sure to avoid the flaws identified by the district court in *National Community Reinvestment Coalition (NCRC) v. CFPB*, which found the Bureau's rationale for increasing the threshold was impermissible.<sup>17</sup> As provided in that letter and summarized below, revisiting the threshold now would be appropriate and likely to withstand judicial review.

The district court decision vacating the CFPB's prior increase to the HMDA reporting threshold turned on deficiencies in the Bureau's process and supporting record, not on any statutory limitation in HMDA itself. The court did not conclude that HMDA prohibits a higher reporting threshold. Rather, it found that the Bureau's explanation was insufficient because it overstated compliance-cost savings, failed to adequately quantify the impact of reduced data availability, did not sufficiently analyze effects on underserved communities, and did not meaningfully consider reasonable alternatives. Those findings leave ample room for the Bureau to revisit the threshold through a new rulemaking that addresses these analytical gaps with a clearer, evidence-based rationale.

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<sup>15</sup> America's Credit Unions Follow-Up Letter on Modernizing the HMDA Reporting Requirements to Support Smaller Lenders (Nov. 12, 2025), [https://americascus.widen.net/view/pdf/97bb3911-7608-4208-ab71-3dd996cc4af6/cl---cfpb---hmda-reporting-threshold-follow-up\\_final.pdf](https://americascus.widen.net/view/pdf/97bb3911-7608-4208-ab71-3dd996cc4af6/cl---cfpb---hmda-reporting-threshold-follow-up_final.pdf).

<sup>16</sup> Administrative Procedure Act, 5 U.S.C. §§ 551–559, 701–706.

<sup>17</sup> *NCRC v. CFPB*, No. 1:20-cv-02074 (D.D.C. Sept. 23, 2022).

A revised threshold should withstand review under the APA if the Bureau builds a clear and well-supported record. That means relying on current data, comparing different threshold options, clearly describing the real compliance costs faced by smaller lenders, and explaining how much HMDA data would remain available, including in minority, low-income, rural, and Tribal areas. After *Loper Bright*,<sup>18</sup> the Bureau also needs to clearly explain how a revised threshold fits within HMDA's text and purpose, rather than relying on judicial deference. By addressing the specific issues identified by the court and explaining its reasoning in plain, data-backed terms, the Bureau can adopt a revised threshold that is reasonable and legally defensible.

## Conclusion

America's Credit Unions appreciates the opportunity to comment on the RFC regarding the Bureau's HMDA data collection. As provided above, we urge the Bureau to reduce unnecessary HMDA reporting burden by streamlining required data collection and reconsidering the closed-end reporting threshold. These steps would better align HMDA's requirements with the operational realities faced by credit unions while preserving its core transparency goals. Should you have any questions or require any additional information, please contact me, Regulatory Advocacy Senior Counsel at [LMartone@americascreditunions.org](mailto:LMartone@americascreditunions.org) or (202) 508-6743.

Sincerely,



Luke Martone  
Regulatory Advocacy Senior Counsel

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<sup>18</sup> *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369 (2024).