

CFPB Proposes Higher HMDA Thresholds and Other Changes

On May 2, 2019 the CFPB issued a Notice of Proposed Rulemaking (NPR) that proposes to raise the coverage thresholds for smaller reporters. The NPR proposes two alternatives that would permanently increase the threshold from the current 25 reportable closed-end originations, to either 50 or 100. The proposal also extends the timing of the threshold for open-ended originations of 500 for two more years. At the end of the two year period, the open-end threshold would be permanently set at 200 such loans.

The comment period is only 60 days, so if you are a bank that might benefit from an increase in the thresholds, we recommend you comment as soon as possible.

The CFPB also issued an Advanced Notice of Proposed Rulemaking (ANPR) to solicit comments regarding the costs associated with implementing new data points or the alteration of pre-existing data points that resulted from the 2015 rulemaking. They are also soliciting comments regarding the reporting of commercial purpose transactions to non-individuals for multi-family units.

The ANPR provides banks with a unique opportunity to comment early on the information that is being collected, and its value to the public in general and policymakers. The comments on the ANPR are also on a 60-day clock, so comment soon if you choose to do so.

The NPR and directions for commenting can be found [here](#), and the ANPR and directions for commenting can be found [here](#).

We encourage all community banks to comment, as this is a unique opportunity to unburden smaller institutions for years to come.