June 2019

Compliance Update

COMMUNITY BANKERS FOR COMPLIANCE NEWSLETTER

INSIDE

Distributed by:
Wisconsin Bankers Association
4721 S. Biltmore Lane
Madison, WI 53718

Published by:
Young & Associates, Inc.
121 East Main Street
P.O. Box 711
Kent, OH 44240

CFPB Delays Payday Underwriting Rule

The Consumer Financial Protection Bureau (CFPB) is issuing a final rule to delay the August 19, 2019 compliance date for the mandatory underwriting provisions of the regulation promulgated by the agency in November 2017 governing Payday, Vehicle Title, and Certain High-Cost Installment Loans. Compliance with these provisions of the Rule is delayed by 15 months, to November 19, 2020.

The CFPB is also making certain corrections to address several clerical and non-substantive errors it has identified in other aspects of the rule.

The agency is releasing a table of contents for this final rule as well as an unofficial, informal redline to assist industry and other stakeholders in reviewing the changes that this final rule makes to the regulatory text and commentary of the 2017 Final Rule.

The final rule to delay and correct the payday rule is available at https://files.consumerfinance.gov/f/documents/cfpb_payday_final-rule-2019-delay.pdf. The table of contents for this delay rule may be read at https://files.consumerfinance.gov/f/documents/cfpb_payday_final-rule-2019-delay-TOC.pdf. And, the unofficial, informal redline is at https://files.consumerfinance.gov/f/documents/cfpb_payday_unofficial-redline-2019-delay-final-rule.pdf. ❑

Loan Officer Compensation & Fair Lending Risk

By Karen S. Clower, CRCM; Consultant

Do you provide incentive-based compensation to your mortgage loan originators for originating closed-end mortgage loans that are sold in the secondary market? How does your secondary market division set the pricing for these types of loans?

The loan officer compensation rule in Regulation Z, §1026.36, prohibits a mortgage loan

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originator's compensation from being based on the terms of the transaction or a proxy for a transaction term. This includes the pricing of the loan.

When loans are originated for sale in the secondary market, a "target price" is typically set in the secondary market division. This "target price" is the profit margin that the financial institution wants to earn on the sale of the mortgage loan. Is a different "target price" set for each mortgage loan originator? If one is, this could increase the bank's fair lending risk. Especially if any one mortgage loan originator services members of a protected class.

For simplicity's sake, consider this situation. Mortgage loan originator A's "target price" is par plus one, which in simple terms means that the financial institution will earn a one percent fee (based on the loan amount) when the loan is sold. Mortgage loan originator B's "target price" is par plus two, which in simple terms means that the financial institution will earn a two percent fee (based on the loan amount) when the loan is sold. For a loan amount of $100,000, the financial institution will earn $1,000 for originator A's loan and $2,000 for originator B's loan. Keep in mind that this "target price" can be achieved with any combination of a higher interest rate and/or discretionary fees charged to the borrower. We also assume that the risk-related credit characteristics for all borrowers are the same. Now consider that originator B mainly services borrowers in majority minority neighborhoods.

Increased fair lending risk

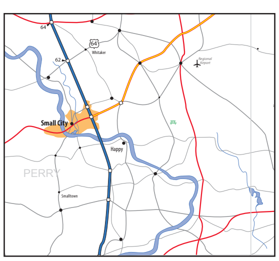
While this practice may comply with the loan officer compensation rules in Regulation Z by not basing the mortgage loan originators' compensation on the terms of the transaction or a proxy for a transaction term, it increases the financial institution's fair lending risk and could lead to potential fair lending discrimination.

A Federal Reserve Board (FRB) "Consumer Compliance Supervision Bulletin" from July 2018, stated that banks that set target prices for mortgage loan originators can manage compliance and fair lending risks by:

- Checking for compliance with Regulation Z with respect to financial incentives
- Implementing policies and procedures to control the risk that discretion could lead to a fair lending violation
- Evaluating and managing the risk when the mortgage loan originators with the higher target prices tend to serve minority neighborhoods
- Monitoring pricing by race/ethnicity across mortgage loan originators, including the APR, interest rate, fees, and overages, using statistical analysis if there is sufficient volume, and
- Considering mapping loans by target price

The FRB's "Consumer Compliance Supervision Bulletin" from July 2018 can be found at

https://www.federalreserve.gov/publications/files/201807-consumer-compliance-supervision-bulletin.pdf. ❑



FinCEN Reissues Geographic Targeting Orders

The Financial Crimes Enforcement Network announced it is reissuing its real estate Geographic Targeting Orders for 12 metro areas. The GTOs do not directly affect banks, and require U.S. title insurance companies to identify the natural persons behind shell companies used in all-cash purchases of residential real estate. The purchase amount threshold remains $300,000 for each covered metropolitan area. The orders provide FinCEN valuable data on the purchase of residential real estate by persons possibly involved in various illicit enterprises. Reissuing the GTOs will further assist in tracking illicit funds and other criminal or illicit activity, as well as inform FinCEN's future regulatory efforts in this sector.

The GTOs cover certain counties within the following major U.S. metropolitan areas: Boston; Chicago; Dallas-Fort Worth; Honolulu; Las Vegas; Los Angeles; Miami; New York City; San Antonio; San Diego; San Francisco; and Seattle. They are effective beginning May 16, 2019, and ending November 11, 2019, but can be renewed.

The FinCEN announcement is available at www.fincen.gov/news/news-releases/fincen-reissues-real-estate-geographic-targeting-orders-12-metropolitan-areas, and a Frequently Asked Questions document may be read at www.fincen.gov/sites/default/files/shared/FAQs%20on%20Real%20Estate%20GTO%205.15.2019_508.pdf. ❑

CFPB Issues TRID Factsheet for Assumption Transactions

By Karen S. Clower, CRCM; Consultant

The Consumer Financial Protection Bureau (CFPB) has published a Factsheet on its implementation website discussing whether a Loan Estimate (LE) and Closing Disclosure (CD) are required for an assumption transaction.

The Factsheet discusses whether these disclosures are required for a transaction:

- In which a new consumer is being added or substituted as an obligor on an existing consumer credit transaction
- That is a closed-end consumer credit transaction secured by real property or a cooperative unit, and
- That is not a reverse mortgage subject to 12 CFR 1026.33

The Factsheet contains both a flowchart as well as a narrative section. The flowchart is a quick reference that highlights the major questions to be answered when determining if an LE and a CD are required for an assumption transaction. The narrative discussion provides general information that may be useful when determining if an LE and a CD are required, including information related to each of the major questions set forth in the flowchart.

Determining coverage

The first step is to determine if the TRID rules apply to the transaction, which means a transaction that is a closed-end consumer credit transaction secured by real property or a cooperative unit and is not a reverse mortgage subject to 12 CFR 1026.33.

The next step is to determine if the transaction is an "assumption" as that term is defined in Regulation Z, 12 CFR 1026.20(b). An "assumption" under §1026.20(b) occurs when a creditor expressly agrees in writing to accept a new consumer as a primary obligor on an existing residential mortgage transaction. The Factsheet explains that generally, to satisfy this particular definition of "assumption," a transaction must meet the following three elements:

- **Creditor expressly accepts the new consumer as a primary obligor.** The creditor must accept the new consumer as a primary obligor. The retention of the original consumer as an obligor in some capacity does not prevent the change from being an assumption, provided the new consumer becomes a primary obligor. However, the mere addition of a guarantor to an obligation for which the original consumer remains primarily liable does not give rise to an assumption.

  Furthermore, the creditor's acceptance of the new consumer as a primary obligor must be express. For that acceptance to be express, the creditor must unequivocally agree to accept the new consumer as a primary obligor. The following events are not construed to be express acceptance of the new consumer: (a) approval of creditworthiness; (b) notification of a change in records; (c) mailing of a coupon book to the new consumer; or (d) acceptance of payments from the new consumer.

  Also, note that if the original consumer is retained as an obligor, but neither the original consumer nor the new consumer is designated as the primary obligor, the Regulation Z Official Staff Commentary provides that an assumption nonetheless exists for purposes of §1026.20(b) if the creditor accepts payment from the new consumer.

- **Creditor's express acceptance included in a written agreement.** In order for a transaction to be an assumption, it must include a written agreement and that written agreement must include the creditor's express acceptance of the new consumer. Other than expressly accepting the new consumer as a primary obligor, the written agreement does not need to change any terms of the existing obligation to qualify.

- **Transaction is a "residential mortgage transaction" for the new consumer.** A "residential mortgage transaction" is a transaction: (a) in which a security interest is created or retained in the new consumer's principal dwelling; and (b) which finances the acquisition or initial construction of the new consumer's principal dwelling. [12 CFR 1026.2(a)(24)]

  For purposes of determining whether the transaction is a residential mortgage transaction, the creditor must look to the new consumer, rather than the original consumer. Thus, the creditor must determine if the transaction involves the new consumer's principal dwelling and whether the new consumer is financing the acquisition or initial construction of that dwelling. The creditor must be taking or retaining a security interest in the new consumer's principal dwelling, and the new consumer must be financing the acquisition or initial construction of his or her principal dwelling.

  In determining whether the transaction is a residential mortgage transaction, it is not relevant whether the transaction involved the original consumer's principal dwelling. The transaction must be secured by and finance the acquisition or initial construction of the new consumer's principal dwelling to be a residential mortgage transaction. Thus, if the transaction is secured by only the new consumer's second or vacation home or other property that the new consumer does not use as a principal dwelling, the transaction is not a residential mortgage transaction, even if the dwelling securing the transaction is or was the original consumer's principal dwelling.

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Moreover, a residential mortgage transaction does not arise if the new consumer is not financing the acquisition or initial construction of his or her principal dwelling. Thus, even if the transaction is secured by the new consumer's principal dwelling, a creditor must determine if the new consumer previously purchased or acquired some interest in the principal dwelling. If the new consumer takes on a debt obligation secured by a dwelling in which the new consumer previously had some interest (even if not full legal title), the transaction is not a residential mortgage transaction. For example, a residential mortgage transaction does not occur when a successor takes on a debt obligation that is secured by a dwelling in which the successor previously acquired an interest. Although these types of transactions may be commonly referred to as assumptions, they are not "assumptions" under §1026.20(b) because they are not residential mortgage transactions for the new consumer.

Disclosures for an "assumption"

If the transaction is an assumption under §1026.20(b), the creditor must provide an LE and a CD, unless the transaction is otherwise exempt from the requirements to provide a Loan Estimate and Closing Disclosure.

The lender must make the disclosures in the LE and CD based on the remaining obligation. For example, the amount financed is the remaining principal balance plus any arrearages or other accrued charges from the original consumer credit transaction. Similarly, in determining the amount of the finance charge and the annual percentage rate (APR) to be disclosed, the creditor should disregard any prepaid finance charges paid by the original obligor, but must include in the finance charge any prepaid finance charge imposed in connection with the assumption transaction.

If a creditor adds a new consumer to an existing consumer credit transaction (regardless of whether that event triggers the requirement to provide an LE and a CD), the extension of credit remains a consumer credit transaction under Regulation Z. Therefore, the creditor, assignee, or servicer must comply with any ongoing obligations pertaining to the consumer credit transaction, such as servicing-related requirements.

Reminder

The CFPB reminds us that reviewing this Factsheet is not a substitute for reviewing the Truth in Lending Act (TILA)/Regulation Z, or its Official Staff Commentary.

The Factsheet can be found at https://files.consumerfinance.gov/f/documents/cfpb_tila-respa-factsheet.pdf. ❑

TRiD FAQs

TRID FAQs Updated

The Consumer Financial Protection Bureau (CFPB) has updated its TILA-RESPA Integrated Disclosure (TRID) FAQs. The new/revised FAQs address questions relating to:

- Corrected closing disclosures and the three business-day waiting period before consummation (three questions)
- Model forms (one question), and
- Construction loans (two questions)

The updated TRID FAQs are available at www.consumerfinance.gov/policy-compliance/guidance/tila-respa-disclosure-rule/tila-respa-integrated-disclosure-faqs/. ❑

CFPB Enters HMDA Settlement with Freedom Mortgage

By William J. Showalter, CRCM, CRP; Senior Consultant

The Consumer Financial Protection Bureau (CFPB) announced a settlement with Freedom Mortgage Corporation, one of the 10 largest Home Mortgage Disclosure Act (HMDA) reporters nationwide.

Freedom is a mortgage lender with its principal place of business in Mount Laurel, N.J. According to the CFPB, Freedom originated more than 50,000 home-purchase loans, including refinancings of home-purchase loans, for over $10 billion each year from 2013 through 2016. Like other HMDA lenders, Freedom is required to collect, record, and report data on HMDA-covered transactions to comply with HMDA and Regulation C.

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CFPB charges

According to the consent order, the CFPB found that Freedom violated HMDA and Regulation C by submitting mortgage-loan data for 2014 to 2017 that contained errors. The CFPB found that Freedom reported inaccurate race, ethnicity, and sex information and that much of Freedom's loan officers' recording of this incorrect information was intentional.

For example, the CFPB alleges that certain loan officers were told by managers or other loan officers that, when applicants did not provide their race or ethnicity, they should select "non-Hispanic white," regardless of whether that was accurate, to get around a hard stop in Freedom's proprietary application system. These applications were taken over the telephone at Freedom's call centers, meaning the race or ethnicity should have been coded to indicate "not provided by applicant in a mail, Internet, or telephone application."

In addition, Freedom loan officers incorrectly reported applicants' race and ethnicity as non-Hispanic white even though the applicants provided race or ethnicity information other than non-Hispanic white, overstating the number of non-Hispanic white applicants.

Another issue identified by the CFPB was that Freedom internally identified that, for VA-guaranteed loans, if the applicant's sex was selected as "information not provided," its application system did not allow the marital status to be saved and would remove the co-applicant's income. Rather than addressing this system issue, for nearly a year Freedom loan officers used the "workaround" of selecting a sex when the applicant did not provide one for telephonic applications.

Consent order

Under the terms of the consent order, Freedom must pay a civil money penalty of $1.75 million and take steps to improve its compliance management to prevent future violations.

Freedom must develop, implement, and maintain:

- Policies, procedures, and internal controls to ensure compliance with the data collection, recording, and reporting requirements of HMDA and Regulation C
- A program to regularly test HMDA data integrity and to institute prompt corrective action to address errors, including by listening to a representative sample of telephonic applications to ensure that HMDA-reportable information provided by applicants is accurately collected and recorded, and
- Operating policies and training procedures, provided when employees join Freedom and repeated at recurring intervals, to ensure that personnel have a current and complete understanding of HMDA standards and reporting requirements and how to collect, record, and report HMDA data accurately

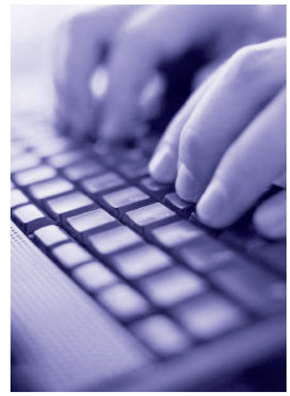
Freedom also must submit to the CFPB Regional Director for review and determination of non-objection a comprehensive compliance plan designed to ensure that its collection, recording, and reporting of HMDA data and HMDA policies, procedures, and compliance management system comply with all applicable federal consumer financial laws and the terms of the consent order.

The compliance plan must include, at a minimum:

- Detailed steps for addressing each action required by this consent order, and
- Specific timeframes and deadlines for implementation of the affirmative actions required by this consent order (bullet list above)

The settlement also requires that Freedom's board take a more active role in managing the corporation's HMDA compliance, as well as imposing some requirements to periodically report to the CFPB and to distribute the consent order internally.

The consent order is available at: https://files.consumerfinance.gov/f/documents/cfpb_freedom-mortgage-corporation_consent-order_2019-05.pdf. ❑



Federal Deposit Insurance Corporation
http://www.fdic.gov

Office of the Comptroller of the Currency
http://www.occ.gov

Federal Reserve
http://www.federalreserve.gov

Housing and Urban Development
http://www.hud.gov

Federal Financial Instutions Examination Council
http://www.ffiec.gov

U.S. Department of Treasury
http://www.treas.gov

Financial Crimes Enforcement Network
http://www.fincen.gov

Consumer Financial Protection Bureau
http://www.consumerfinance.gov

Agencies Release Host State LTD Ratios

By William J. Showalter, CRCM, CRP; Senior Consultant

The Federal Deposit Insurance Corporation (FDIC), Federal Reserve Board (FRB), and Office of the Comptroller of Currency (OCC) issued host loan-to-deposit (LTD) ratios that the banking agencies will use to determine compliance with Section 109 of the Riegle-Neal Interstate Banking Efficiency Act of 1994 (Interstate Act). The test will be applied during routine compliance or Community Reinvestment Act (CRA) examinations.

Background

The FRB, OCC and the FDIC approved final rules in October 1997 regarding interstate branching to assure that an interstate bank's branches in states other than its home state meet the credit needs of the communities served by those offices. The coverage of these rules was extended, effective October 1, 2002, to banks controlled by out-of-state holding companies, implementing statutory changes in the Gramm-Leach-Bliley Act (GLBA). The regulations implementing the Interstate Act rules are an extension of the regulation implementing CRA.

The Interstate Act generally provides expanded authority for U.S. and foreign banks to establish or acquire interstate offices beginning June 1, 1997. One section prohibits such branching if the primary purpose of the interstate branch(es) would be to accept deposits rather than serve the credit needs of a community. In other words, "deposit production offices," to siphon funds from the host state to make loans in the bank's home state, are not permitted.

Branches covered by this provision do not include those established under different laws, such as a national bank moving its headquarters under the 30-mile rule, even across state lines, and retaining the old office as a branch.

Testing compliance

Section 109 of the Interstate Act provides a two-step process to test compliance with the statutory requirements.

- The first step in this process is that the supervisory agencies will perform an LTD ratio screen to compare a bank's statewide LTD ratio to the host state LTD ratio. If the bank's statewide ratio in a state is at least one-half of the published host state LTD ratio, the bank complies with Section 109.

  For example, an Ohio-based bank – or an Indiana bank controlled by an Ohio holding company – that operates a branch(es) in Indiana must lend out 44.5 percent of its Indiana deposits to borrowers there, or half the 89 percent average of that state's (Indiana) local banks.

- If the bank's ratio is less than 50 percent of the host state LTD ratio, the second step requires the agencies to determine if the bank is reasonably helping to meet the credit needs of the communities served by its interstate branch(es).

A bank that fails both steps is in violation of Section 109 and subject to sanctions by the agencies. The sanctions can include the agency ordering that the interstate branch(es) be closed.

States dominated by community banks consistently have lower ratios nationwide. Observers note that branching into these states will be made somewhat easier by these low ratios. Community banks tend to have lower LTD ratios because their funding for loans still comes predominately from deposits rather than capital markets.

Host state LTD ratio

The agencies calculate the host state LTD ratios using data from the Call Reports and Summary of Deposit reports, as of June 30 each year. The latest ratios are based on June 30, 2018 data. Because lending data is not reported geographically and the agencies are forbidden by Congress from imposing an additional regulatory burden to get this information, the agencies use a proxy to estimate the host state ratios.

The host state LTD ratio is calculated by first determining the percentage of the home state bank's total deposits attributable to branches located in its home state (from the Summary of Deposits) and applying this percentage to the bank's total domestic loans (from the Call Report) to estimate the amount of loans attributable to the home state. The host state LTD ratio is then calculated by separately totaling loans and deposits for the home state banks, and then dividing the sum of the loans by the sum of the deposits.

The five highest, and the five lowest, host state LTD ratios among states and the District of Columbia (not including territories) are shown in the following table.

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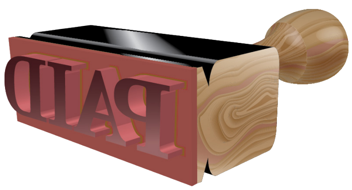
Host State Loan-To-Deposit Ratios

Highest		Lowest	
State/Territory	**LTD ratio**	**State/Territory**	**LTD ratio**
Utah	105%	Delaware	58%
Rhode Island	104%	New Mexico	64%
New Jersey	102%	Wyoming	66%
Maryland	101%	North Carolina	70%
Maine, New Hampshire	99%	District of Columbia, South Dakota	73%

Source: FDIC, FRB, OCC

Credit card banks and banks designated as limited purpose or wholesale banks under CRA were excluded from the host state LTD calculations. The agencies understand that these banks could have very large loan portfolios, but may have few deposits. Beginning in 2001, special purpose banks, including bankers' banks, were excluded because these banks do not engage in traditional deposit taking or lending.

The host state LTD ratios, and any changes to the calculation method, will be made public annually. The latest host state LTD ratios are available at www.federalreserve.gov/newsevents/pressreleases/files/bcreg20190528a1.pdf. ❑



Proposed Fair Debt Collection Practices Act Rule

By Dale Neiss, CRCM; Consultant

The Consumer Financial Protection Bureau (CFPB) has published a proposed rule to amend Regulation F, 12 CFR 1006, which implements the Fair Debt Collection Practices Act (FDCPA). The proposal would amend Regulation F to prescribe federal rules governing the activities of "debt collectors," as that term is defined in the FDCPA. In addition, the proposal:

- Addresses communications in connection with debt collection
- Interprets and applies prohibitions on harassment or abuse, false or misleading representations, and unfair practices in debt collection, and
- Clarifies requirements for certain consumer-facing debt collection disclosures.

Comments on the proposed rule must be received on or before August 19, 2019. The proposed effective date would be one year after the Final Rule is published in the *Federal Register*.

Debt collector

Under the FDCPA, a "debt collector" is any person who regularly collects, or attempts to collect, consumer debts for another person or institution or uses some name other than its own when collecting its own consumer debts. Therefore, a financial institution is not a "debt collector" under the FDCPA when it collects its own debts under its own name.

Since the initial passage of the FDCPA in 1977, interpretative questions (including those related to communication technologies that did not exist such as mobile telephones, e-mail, and text messaging) have been the subject of inconsistent court decisions, resulting in legal uncertainty and additional cost for industry and risk for consumers.

Overview of proposed changes

The CFPB's proposed rule will generally impose new requirements on "debt collectors," as defined in the FDCPA. Note, however, certain provisions of the proposed rule are based on the CFPB's Dodd-Frank Act (DFA) rulemaking authority. In this respect, the CFPB generally may address the conduct of those who collect debt related to a "consumer financial product or service," as defined in the DFA. Proposed rule provisions that rely on the CFPB's DFA rulemaking authority generally would not, therefore, require FDCPA-covered debt collectors to comply if they are not collecting debt related to a "consumer financial product or service" (i.e., collection of non-consumer debt). However, such FDCPA-covered debt collectors would not violate the FDCPA by complying with any such provision in a final rule.

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The proposed rule has four subparts:

- General applicable provisions, i.e., definitions
- Rules for FDCPA-covered debt collectors
- Reserved for future debt collection rulemakings (speculation this would include rules for financial institutions that collect only their own debts), and
- Miscellaneous provisions

Communication proposals

To address concerns about communications and to clarify the application of the FDCPA to newer communication technologies, the proposal:

- Defines "limited-content message" to identify what information a debt collector must and may include in a message left for consumers.
- Clarifies the times and places at which a debt collector may communicate with a consumer.
- Clarifies that a consumer may restrict media through which a debt collector communicates.
- Clarifies that, subject to exceptions, a debt collector is prohibited from placing a telephone call to a person more than seven times within a seven-day period.
- Clarifies that newer communication technologies may be used, with certain limitations to protect consumer privacy and to prevent harassment or abuse, false or misleading representations, or unfair practices.

Consumer disclosure proposals

The FDCPA requires that a debt collector send a written notice to a consumer, within five days after the initial communication, containing certain information about the debt and actions the consumer may take in response. To clarify the information a debt collector must provide at the outset of debt collection, including (if applicable) in a validation notice, the CFPB proposes:

- To specify that debt collectors must provide certain information about the debt and the consumer's rights with respect to the debt
- A model validation notice that a debt collector could use to comply with the FDCPA and the proposed rule's disclosure requirements
- To clarify the steps a debt collector must take to provide the validation notice and other required disclosures electronically
- A safe harbor if a debt collector complies with certain steps when delivering the validation notice, and
- To prohibit a debt collector from suing or threatening to sue a consumer to collect a "time-barred debt"

Additional proposals

The CFPB proposes to address certain other consumer protection concerns in the debt collection market, for example:

- To clarify that the personal representative of a deceased consumer's estate is a consumer for purposes of proposed §1006.6
- To prohibit a debt collector from furnishing information about a debt to a consumer reporting agency before communication with the consumer about the debt
- To prohibit, with certain exceptions, the sale, transfer, or placement for collection of a debt if a debt collector knows or should know that the debt has been paid or settled of has been discharged in bankruptcy, or that an identity theft report has been filed with respect to the debt

Resources on the proposed rule are also available, as follows:

- Fast Facts: Proposed Debt Collection Rule at https://files.consumerfinance.gov/f/documents/cfpb_debt-collection-fast-facts.pdf
- Proposed Debt Collection Electronic Disclosure Options (flowchart) at https://files.consumerfinance.gov/f/documents/cfpb_debt-collection-electronic-disclosure-flowchart.pdf
- Proposed Model Validation Notice at https://files.consumerfinance.gov/f/documents/cfpb_debt-collection-validation-notice.pdf

The proposed rule can be read at https://files.consumerfinance.gov/f/documents/cfpb_debt-collection-NPRM.pdf. ❑

Compliance Calendar

This calendar is designed to help you address current and upcoming requirements related to compliance with federal consumer protection and other select rules. The calendar is not intended as general advice on when to perform ongoing compliance management functions, but as a reminder of due dates for completing these tasks. And, as always, consult the particular law or regulation for details on coverage, etc.

July 2019

- Lenders may begin using redesigned Uniform Residential Lending Application (URLA) form on July 1, 2019.
- Final rule regarding use of private flood insurance policies effective July 1, 2019.
- Update HMDA-LAR with loans and applications that reached final disposition in second calendar quarter 2019 by July 31, 2019.
- Update FHHLDS home loan activity format with second calendar quarter 2019 data by July 31, 2019 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

August 2019

- Comments due to the CFPB on proposed changes to its Regulation F (FDCPA) by August 19, 2019.

September 2019

- (Previously exempt lenders that experience a change in status regarding their exemption from the flood insurance escrow requirements in 2019) Notices providing the option to escrow flood insurance must be distributed to customers of all outstanding designated loans by September 30, 2019.

October 2019

- Update HMDA-LAR with loans and applications that reached final disposition in third calendar quarter 2019 by October 30, 2019.
- Update FHHLDS home loan activity format with third calendar quarter 2019 data by October 30, 2019 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

November 2019

- Annual renewal period begins for MLO registrations and updating bank information under SAFE Act on November 1, 2019.
- Lenders begin using Standard Time designations for rate lock expirations on TRID Loan Estimates on November 3, 2019 (e.g., EST, CST, etc.).

December 2019

- Annual renewal period closes for MLO registrations and updating bank information under SAFE Act on December 31, 2019.

January 2020

- Update HMDA-LAR with loans and applications that reached final disposition in fourth calendar quarter 2019 by January 31, 2020.
- Update FHHLDS home loan activity format with fourth calendar quarter 2019 data by January 31, 2020 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

February 2020

- Lenders must begin using the updated URLA form on February 1, 2020 for all new applications (to be sold on the secondary market). Also, Pipeline Loan Transition Period begins for older loans (typically construction loans) with an application received date prior to 2/1/2020 – allowing lenders to complete processing of such loans with old forms 1003.

March 2020

- 2019 HMDA LAR must be submitted to the CFPB by March 1, 2020.
- 2019 CRA small business, small farm, and community development loan data must be submitted to applicable regulator by March 1, 2020 (except “small banks”).
- Lenders begin using Daylight Time designations for rate lock expirations on TRID Loan Estimates on March 8, 2020 (e.g., EDT, CDT, etc.).

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April 2020

- Update information in CRA public file by of April 1, 2020.
- Update HMDA-LAR with loans and applications that reached final disposition in first calendar quarter 2020 by April 30, 2020.
- Update FHHLDS home loan activity format with first calendar quarter 2020 data by April 30, 2020 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

July 2020

- Update HMDA-LAR with loans and applications that reached final disposition in second calendar quarter 2020 by July 31, 2020.
- Update FHHLDS home loan activity format with second calendar quarter 2020 data by July 31, 2020 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

September 2020

- (Previously exempt lenders that experience a change in status regarding their exemption from the flood insurance escrow requirements in 2020) Notices providing the option to escrow flood insurance must be distributed to customers of all outstanding designated loans by September 30, 2020.

November 2020

- Annual renewal period begins for MLO registrations and updating bank information under SAFE Act on November 1, 2020.
- Lenders begin using Standard Time designations for rate lock expirations on TRID Loan Estimates on November 1, 2020 (e.g., EST, CST, etc.).

December 2020

- Annual renewal period closes for MLO registrations and updating bank information under SAFE Act on December 31, 2020.

January 2021

- Update HMDA-LAR with loans and applications that reached final disposition in fourth calendar quarter 2020 by January 31, 2021.
- Update FHHLDS home loan activity format with fourth calendar quarter 2020 data by January 31, 2021 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

February 2021

- Fannie Mae and Freddie Mac will no longer accept loans with the old form 1003 application.

March 2021

- 2020 HMDA LAR must be submitted to the CFPB by March 1, 2021.
- 2020 CRA small business, small farm, and community development loan data must be submitted to applicable regulator by March 1, 2021 (except "small banks").
- Lenders begin using Daylight Time designations for rate lock expirations on TRID Loan Estimates on March 14, 2021 (e.g., EDT, CDT, etc.).

April 2021

- Update information in CRA public file by of April 1, 2021.
- Update HMDA-LAR with loans and applications that reached final disposition in first calendar quarter 2021 by April 30, 2021.
- Update FHHLDS home loan activity format with first calendar quarter 2021 data by April 30, 2021 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].

July 2021

- Update HMDA-LAR with loans and applications that reached final disposition in second calendar quarter 2021 by July 31, 2021.
- Update FHHLDS home loan activity format with second calendar quarter 2021 data by July 31, 2021 [non-HMDA reporting national banks receiving 50 or more home loan applications last year].