

# Rules and Regulations

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## FEDERAL RESERVE SYSTEM

### 12 CFR Part 203

[Regulation C; Docket No. 1398]

### Home Mortgage Disclosure

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Final rule; staff commentary.

**SUMMARY:** The Board is publishing a final rule amending the staff commentary that interprets the requirements of Regulation C (Home Mortgage Disclosure). The staff commentary is amended to increase the asset-size exemption threshold for depository institutions based on the annual percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPIW). The adjustment from \$39 million to \$40 million reflects the increase of that index by 2.21 percent during the twelve-month period ending in November 2010. Thus, depository institutions with assets of \$40 million or less as of December 31, 2010 are exempt from collecting data in 2011.

**DATES:** Effective January 1, 2011.

**FOR FURTHER INFORMATION CONTACT:** John C. Wood, Counsel, Division of Consumer and Community Affairs, at (202) 452-3667; for users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263-4869.

**SUPPLEMENTARY INFORMATION:** The Home Mortgage Disclosure Act (HMDA; 12 U.S.C. 2801 *et seq.*) requires most mortgage lenders located in metropolitan areas to collect data about their housing-related lending activity. Annually, lenders must report those data to their federal supervisory agencies and make the data available to the public. The Board's Regulation C (12 CFR part 203) implements HMDA.

Prior to 1997, HMDA exempted depository institutions with assets

totaling \$10 million or less, as of the preceding year-end. Provisions of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (codified at 12 U.S.C. 2808(b)) amended HMDA to expand the exemption for small depository institutions. The statutory amendment increased the asset-size exemption threshold by requiring a one-time adjustment of the \$10 million figure based on the percentage by which the CPIW for 1996 exceeded the CPIW for 1975, and it provided for annual adjustments thereafter based on the annual percentage change in the CPIW. The one-time adjustment increased the exemption threshold to \$28 million for 1997 data collection.

Section 203.2(e)(1)(i) of Regulation C provides that the Board will adjust the threshold based on the year-to-year change in the average of the CPIW, not seasonally adjusted, for each twelve-month period ending in November, rounded to the nearest million dollars. Pursuant to this section, the Board has adjusted the threshold annually, as appropriate.

For 2010, the threshold was \$39 million. During the twelve-month period ending in November 2010, the CPIW increased by 2.21 percent; as a result, the exemption threshold will increase to \$40 million. Thus, depository institutions with assets of \$40 million or less as of December 31, 2010 are exempt from collecting data in 2011. An institution's exemption from collecting data in 2011 does not affect its responsibility to report data it was required to collect in 2010.

### Final Rule

Under the Administrative Procedures Act, notice and opportunity for public comment are not required if the Board finds that notice and public comment are unnecessary. 5 U.S.C. 553(b)(B). The amendment in this notice is technical. Comment 2(e)-2 is amended to update the exemption threshold. This amendment merely applies the formula established by Regulation C for determining any adjustments to the exemption threshold. For these reasons, the Board has determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. Therefore, the amendment is adopted in final form.

### List of Subjects in 12 CFR Part 203

Banks, Banking, Federal Reserve System, Mortgages, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, the Board amends 12 CFR part 203 as follows:

### PART 203—HOME MORTGAGE DISCLOSURE (REGULATION C)

■ 1. The authority citation for part 203 continues to read as follows:

**Authority:** 12 U.S.C. 2801–2810.

■ 2. In Supplement I to part 203, under *Section 203.2 Definitions*, 2(e) *Financial Institution*, paragraph 2(e)-2 is revised to read as follows:

### Supplement I to Part 203—Staff Commentary

\* \* \* \* \*

*Section 203.2 Definitions*

\* \* \* \* \*

*2(e) Financial Institution.*

\* \* \* \* \*

2. *Adjustment of exemption threshold for depository institutions.* For data collection in 2011, the asset-size exemption threshold is \$40 million. Depository institutions with assets at or below \$40 million as of December 31, 2010 are exempt from collecting data for 2011.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, acting through the Director of the Division of Consumer and Community Affairs under delegated authority, December 17, 2010.

**Jennifer J. Johnson,**  
*Secretary of the Board.*

[FR Doc. 2010-32210 Filed 12-22-10; 8:45 am]

**BILLING CODE 6210-01-P**

## FEDERAL RESERVE SYSTEM

### 12 CFR Part 226

[Regulation Z; Docket No. R-1394]

### Truth in Lending

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Interim final rule, correction.

**SUMMARY:** This document corrects certain cross-references and typographical errors in the regulation, staff commentary to the regulation, and the supplementary information of the interim final rule published in the