



Photo Credit: Rhonda Coggins

We hope you enjoyed the 2017 solar eclipse!

Finalized HMDA Amendment

You may recall that our July Compliance News included an article on the CFPB's proposed rule to amend **Regulation C**, which implements **HMDA**. In follow up to that, the CFPB has now issued a **final rule** amending Regulation C.

The 225 page final rule includes various **technical corrections** and **provides clarifications** to certain requirements. As was proposed earlier, this final rule also amends the regulation to increase the threshold for collecting and reporting data about **open-end lines of credit** for a period of **two years**. This provides some temporary relief for institutions originating fewer than 500 open-end lines of credit in either of the preceding two years as they would not be required to begin collecting such data until **January 1, 2020**.

At a high level, the new rule establishes **transition provisions** for two data points – loan purpose and the unique identifier for the loan originator. Other amendments provide clarifications for certain terms – multifamily dwelling, temporary financing, and automated underwriting system.

Also contained in the new rule are provisions that facilitate the reporting of **census tract information**. Within the preamble, the CFPB stated their plans to make available a **geocoding tool** on their website. The rule establishes that an institution would not violate the regulation if they reported an incorrect census tract if the information was obtained from the CFPB's geocoding tool, provided that the institution entered an accurate address.

Interested persons can find the final rule [here](#).

Online Compliance Consulting Update!

The Online Compliance Consulting Dashboard has been enhanced!

- ✓ **NEW BSA/AML Project Plan Template**
- ✓ **2Q Be Prepared Webinar Recording**
- ✓ **UPDATED Brokered Deposit FAQs**
- ✓ **July 2017 News**

To access this information and all other compliance features, go to: <http://compliance.smslp.com/>

Speaking of HMDA...New FFIEC HMDA Examiner Transaction Testing Guidelines Just Released



Earlier this month, the FFIEC announced that in conjunction with their efforts to establish federal examination standards and provide consistency, they have issued new **HMDA Examiner Transaction Testing Guidelines** to support evaluation of HMDA compliance.

These guidelines will be used in sampling and validating the accuracy of HMDA data collected beginning in 2018. Interested persons can find a link to the new testing guidelines [here](#). Also, the CFPB's website section housing resources for HMDA filers was recently updated with a new **Filing Instructions Guide (FIG)** which contains information for data collected in or after 2018. Interested persons may find that information [here](#).

Overdraft Disclosure Prototypes Unveiled

As part of their "**Know Before You Owe**" efforts, the CFPB has developed prototype disclosures that are intended to improve communication to consumers that are considering **overdraft coverage**. The prototypes were designed to help clearly communicate program details, such as the costs of opting in, which will better assist consumers in evaluating risks and benefits.

The CFPB is **currently testing four 1-page versions of the disclosure**. The announcement of these prototypes also includes a recap of their report on frequent overdrafters, which was based on data from several large banks.

Interested persons may find that issuance [here](#).

Convenient and Affordable Compliance Assistance

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- FREE access to our quarterly Be Prepared! webinar series.

For more information or a free demo, contact Rhonda Coggins at 512-703-1509.



Mark your calendar for our next **Be Prepared!** Compliance Update webinar. It is scheduled for **September 21, 2017**.

When available, details may be found on BankersWEB, [here](#).

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