

## **“Paper” or “plastic”? ... How to respond to requests for your HMDA LAR!**

There are multiple banks, vendors, regulators, community groups, and others requesting HMDA data in electronic format this year. This increase in requests is just another part of the ever changing face of regulatory compliance. We thought we would provide you with a refresher on what is / is not required and how to use CenTrax to respond to these requests.

### **Here's what Reg C says:**

#### **203.5 Disclosure and reporting.**

**(c) Public disclosure of modified loan/application register.** A financial institution shall make its loan/application register available to the public after removing the following information regarding each entry: the application or loan number, the date that the application was received, and the date action was taken. An institution shall make its modified register available following the calendar year for which the data are compiled, by March 31 for a request received on or before March 1, and within thirty calendar days for a request received after March 1. The modified register need only contain data relating to the metropolitan area for which the request is made.

(d) Availability of data . A financial institution shall make its modified register available to the public for a period of three years and its disclosure statement available for a period of five years. An institution shall make the data available for inspection copying during the hours the office is normally open to the public for business. It may impose a reasonable fee for any cost incurred in providing or reproducing the data.

#### **5(b) Public disclosure of statement.**

1. Business day. For purposes of § 203.5, a business day is any calendar day other than a Saturday, Sunday, or legal public holiday.

2. Format. An institution may make the disclosure statement available in paper form or, if the person requesting the data agrees, in automated form (such as by PC diskette or CD Rom).

#### **5(c) Public disclosure of modified loan/application register.**

1. Format. An institution may make the modified register available in paper or automated form (such as by PC diskette or computer tape). Although institutions are not required to make the modified register available in census tract order, they are strongly encouraged to do so in order to enhance its utility to users.

### **What are the issues?**

#### **Q. What format was requested – paper or electronic? What are you required to provide?**

A. Generally, the requests are for an electronic version of your HMDA LAR – which simply means the “public” HMDA.dat file. That's because the requestor wants to analyze your data. You are not required to provide the data in electronic format. However, you may decide that it's the right thing to do. After all, the data will be publicly available some-time in August or September, right? If you opt to provide an electronic version, just remember to provide ONLY the MODIFIED LAR – excluding the loan / application number, application date and action date.

Some institutions have opted to provide paper or pdf versions of their modified LAR and not an electronic version. Obviously, that is an option ... and, may be the correct choice depending on the bank's circumstances and internal policies.

Either way, remember to let management know who is requesting your data and how you are providing it! You might also want to report this type of information to your Board ... along with a “mini-training” session on what is required, why it is requested, etc.

**Q. Are you required to provide the “entire” LAR or can you ask the requestor to identify the specific geography or MSA?**

A. The requests for your HMDA data will likely not isolate a specific MSA and will ask for all your HMDA data including MSA and non-MSA records. This basically means they want a copy of your entire HMDA LAR. There are no specific requirements defined within the regulation that allow you to “limit” what is provided beyond the elimination of the 3 fields mentioned above. If the request letter is non-specific, you could ask the requestor to provide a specific geography. Ultimately, you will need to provide what is requested ... a specific geography or the entire LAR.

**... The Bottom Line ...**

You are required to provide the data. You just have to decide on the format and whether you will or will not be charging a fee! If you'd like to talk through your options with one of our compliance consultants, please feel free to call:

Linda Crank	214-778-3030
Loretta Kirkwood	214-778-3031
Marci Armstrong	214-778-3036

If you need assistance creating the Modified Public LAR, please contact our Client Support Technicians at 800-627-5388.