

# Compliance Update — Insights and Highlights February 2023

Article By:

Memrie M. Fortenberry

---

## HMDA Update

The world of compliance has been relatively quiet these first two months of 2023, considering that 2022 ended with multiple proposed regulations. This may be the calm before the storm. There is one thing that bankers can be certain of year after year — the Home Mortgage Disclosure Act (HMDA) reporting deadline, which is quickly approaching. This is a helpful reminder of the recent changes to the closed-end mortgage HMDA reporting threshold.

In 2020, the Consumer Financial Protection Bureau (CFPB) increased the HMDA reporting threshold for closed-end mortgage loans from 25 to 100 for each of the two previous calendar years, relieving many smaller HMDA reporting banks from reporting obligations. However, during the latter part of 2022, a US district court issued an order vacating the CFPB's rule and returning the reporting threshold to 25 closed-end mortgage loans in each of the two preceding calendar years. Obviously, this change will create new reporting requirements for some banks that were not previously reporting.

Because of this change and the new burdens it creates for some banks to comply while implementing new policies, procedures, etc., the CFPB, Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, and Federal Reserve have all issued separate statements regarding each agency's supervisory stance. All the above-listed agencies have announced that failure to report closed-end mortgage loan data from 2020, 2021, and 2022 will not result in penalties, violations, or enforcement actions if such bank is otherwise subject to Regulation CC's coverage requirements and originated 25 or more but fewer than 100 closed-end mortgage loans in the two preceding years.

It is important that banks meeting the 25 closed-end mortgage reporting threshold in 2021 and 2022 begin collecting data now in 2023 for reporting in 2024. Contact your regulatory agency for more clarity regarding specific expectations related to reporting and the changes for your bank.

© 2025 Jones Walker LLP

---

National Law Review, Volume XIII, Number 54

Source URL: <https://natlawreview.com/article/compliance-update-insights-and-highlights->

[february-2023](#)