



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

DIVISION OF
INFORMATION TECHNOLOGY

MEMORANDUM

November 23, 2004

TO: HMDA Contact
Home Mortgage Disclosure Act Data

FROM: Patricia Dykes
Manager, CRA/HMDA Operations Unit

SUBJECT: Transfer of Home Mortgage Disclosure Act Data Collection-
Department of Housing and Urban Development to Federal Reserve Board

The Department of Housing and Urban Development (HUD) and the Federal Reserve System (“the Board”) recently reached an agreement to transfer the HUD Home Mortgage Disclosure Act (HMDA) data collection process to the Board. The Board will be collecting HMDA data only. HUD has discontinued the collection of FHA data and negative reports and will notify institutions of the new procedures. Questions regarding the discontinuance of FHA data collection and negative reports should be directed to Jerry Fasick at HUD on 202-755-7500 x 7540.

Collection Transfer Effective Immediately

This change is effective immediately with your 2004 HMDA report due on or before March 1, 2005 to the Board. All institutions should review the collection and reporting requirements listed on the FFIEC HMDA web site at <http://www.ffiec.gov/hmda>. The FFIEC HMDA web site provides detailed information on the required file specifications for HMDA reporting (<http://www.ffiec.gov/hmda/fileformats.htm>).

FFIEC HMDA Data Entry Software

The FFIEC HMDA Data Entry Software, Version 3.01, for calendar year (CY) 2004 data collection is available for download from the FFIEC HMDA web site. Please note that the next scheduled release of the software, Version 3.10, for CY 2005 data collection is available by download from the FFIEC HMDA web site (<http://www.ffiec.gov/hmda>). The software is free and can be utilized for editing, reporting and submission purposes.

HMDA Editing and Reporting

In addition, your HMDA data must be edited **prior** to submission using the FFIEC HMDA edits (<http://www.ffiec.gov/hmda/edits.htm>). Regulation C requires all HMDA data submissions to be free of validity errors prior to submission. You must submit a validity-free submission or your institution is at risk of noncompliance. If you utilize a third party vendor’s software package, you can still take advantage of the benefits of the HMDA Data Entry Software by using the editing and reporting features. The software includes editing and reporting features to help you verify, complete, and analyze your HMDA data. The ‘Import’ feature will accept a valid ‘hmda.dat’ file created in a third party vendor’s software that meets the HMDA file specifications. Once the file has been successfully imported into the software, the user can utilize the editing and reporting features. The ‘Export to Regulatory Agency via Internet e-mail’ feature

creates a validity-free encrypted file that can be transmitted via Internet e-mail directly to the Board at HMDASUB@frb.gov. Download your free copy of the software at <http://www.ffiec.gov/hmda>.

If your institution uses a third party vendor to prepare and transmit your HMDA report, **it is extremely important that you notify them immediately of this change.** Your vendor needs to be informed of the Board's file specification and editing requirements (<http://www.ffiec.gov/hmda/fileformats.htm>). In addition, reel tape submissions are not an accepted media type. Internet e-mail submission is the preferred electronic method to transmit your data. Other electronic submission media types that can be used are diskette and CD-ROM. However, regardless of the media type chosen, you must follow the HMDA file specifications and edits.

HMDA Submission Checklist

- Prepare your HMDA data submission.
- Download a free copy of the FFIEC HMDA Data Entry Software (<http://www.ffiec.gov/hmda>).
- 'Import' the correctly formatted 2004 'hmda.dat' file for editing purposes.
- Perform a 'Batch Edit' on the HMDA data and correct all validity errors.
- Choose the (1) 'Export' option from the Front Page. Choose the (2) 'Export to Regulatory Agency via Internet e-mail' option for encrypted submission to the Board.
- Address your e-mail to HMDASUB@frb.gov, include all the required institution information and attach the encrypted HMDA file named HMDAENCR.ENC located at the following path:
C:\HMDADES\int\hmdaencr.enc.
- Send your encrypted, validity-free, 2004 HMDA data submission to the Board on or before March 1, 2005.

Submission Address

Send your encrypted e-mail file to HMDASUB@frb.gov for 2004 HMDA reporting on or before March 1, 2005. Sending your submission via Internet e-mail is the most efficient process for submitting your HMDA data. If you choose to mail (overnight) your submission in one of the other acceptable media types -- diskette or CD-ROM -- the mailing address is as follows and must be postmarked by March 1, 2005:

Federal Reserve Board
ATTN: HMDA Processing, HUD
20th & Constitution Avenue, NW
MS N502
Washington, DC 20551-0001

If your institution is required to resubmit data for any reason, you must submit a "Complete Resubmission", including an error-free transmittal sheet. Partial resubmissions will not be accepted.

HMDA Questions

Questions regarding the processing and reporting of HMDA data should be addressed to HMDAHELP@frb.gov or the HMDA Assistance Line on 202-452-2016. We expect the transfer of HMDA collection responsibilities to the Board will go smoothly and appreciate your support and cooperation as we complete the transition.