



CUNA & Affiliates
A Member of the Credit Union System

*Credit Union
National Association, Inc.*

601 Pennsylvania Ave. NW, South Bldg.
Suite 600
Washington, D.C.
20004-2601

Telephone:
(202) 638-5777
Fax:
(202) 638-7734

Web Site:
www.cuna.org

VIA E-MAIL: regs.comments@federalreserve.gov

May 10, 2004

Ms. Jennifer J. Johnson
Secretary
Board of Governors of the
Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Docket No. R-1186, Revised Formats for Public Disclosure of
Lending Data Reported Pursuant to the Home Mortgage Disclosure
Act

Dear Ms. Johnson:

The Credit Union National Association (CUNA) appreciates the opportunity to comment on the revised formats for public disclosure statements of lending data that are reported pursuant to the Home Mortgage Disclosure Act (HMDA). These revisions reflect recent changes to HMDA and Regulation C, which require the reporting of additional information and the use of standards for collection of data on race and ethnicity that are used by the Office of Management and Budget (OMB). These changes will revise a number of disclosure tables, delete certain tables with redundant information, and add new tables. CUNA represents more than 90 percent of our nation's 9,800 state and federal credit unions.

Recent amendments to Regulation C will conform the standards for collection of data on race and ethnicity that are used by OMB and will now require lenders to report the following:

- The rate spread between the annual percentage rate on the loan and the yield on Treasury securities of comparable maturity when the spread exceeds three percentage points on first lien mortgages and five percentage points for subordinate lien mortgages.
- Whether the loan is subject to the Home Ownership and Equity Protection Act (HOEPA).
- Whether the loan involves manufactured housing.



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- The type of lien on the property.
- Certain information about requests for pre-approval.

The revisions to the existing tables primarily reflect the changes to the race and ethnicity categories that are used by OMB and the itemization of data on manufactured housing loans. The proposed new tables will report the new data on the rate spread, HOEPA status, lien status, pre-approval requests, and manufactured housing. With regard to the rate spread data, information will be reflected by categories. For example, a new table will report first lien mortgage loans that are between 3% and 3.99% above the yield on comparable Treasury securities, those that are between 4% and 4.99% above the yield, and under similar categories up to a category to reflect loans that are 8 percentage points or more above the Treasury yield. For these loans, the mean and median percentage points above the Treasury yield will be reported, as well as the number of first mortgage loans below the 3-percentage-point threshold.

CUNA believes the proposed revisions are adequate for disclosing the new HMDA data and support the elimination of redundant information categories in the Table 6 series. This should result in more concise disclosure tables. We also support the modification of the disclosure tables to reflect the number of loans within various ranges above the yield on comparable Treasury securities. Separating the number of loans by these categories will result in data that is easier for the public to read and understand.

In general, the HMDA data is submitted to the Federal Financial Institutions Examination Council, which creates the public disclosure statements that are then sent back to the lenders and made available to the public. We do not believe additional revisions are necessary at this time, especially since the public may request additional information at any time directly from the financial institution.

Thank you for the opportunity to comment on the revised formats for public disclosure statements of lending data that is reported pursuant to HMDA. If you or other Board staff have questions about our comments, please give Associate General Counsel Mary Dunn or me a call at (202) 638-5777.

Sincerely,



Jeffrey Bloch
Assistant General Counsel