

FEDERAL RESERVE BANK OF SAN FRANCISCO
101 MARKET STREET, SAN FRANCISCO, CALIFORNIA 94105

December 27, 2002

**BANKING SUPERVISION AND REGULATION:
HMDA THRESHOLD ANNUAL NOTICE**

To State Member Banks, Bank
Holding Companies, U.S. Branches
and Agencies of Foreign Banks,
and Others Concerned,
in the Twelfth Federal Reserve District

Asset-Size Exemption Threshold (Docket R-1140)

The Federal Reserve Board has published its annual notice of the asset-size exemption threshold for depository institutions under Regulation C (Home Mortgage Disclosure).

The asset-size exemption for depository institutions will remain at \$32 million based on the annual percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the twelve-month period ending in November 2002. As a result, depository institutions with assets of \$32 million or less as of December 31, 2002 are exempt from data collection in 2003. An institution's exemption from collecting data in 2003 does not affect its responsibility to report the data it was required to collect in 2002.

The adjustment is effective **January 1, 2003**.

The Home Mortgage Disclosure Act (HMDA) requires most depository institutions and certain for-profit, nondepository institutions to collect, report, and disclose data about applications for, and originations and purchases of, home mortgage loans, home improvement loans, and refinancings. Data reported include the type, purpose, and amount of the loan; the race or national origin, sex, and income of the loan applicant; and the location of the property. The purposes of HMDA include helping to determine whether financial institutions are serving the housing needs of their communities and assisting in fair lending enforcement.

E-Notification

The Federal Reserve Bank of San Francisco will notify depository institutions by e-mail of new Banking Supervision and Regulation circular letters recently posted on the Twelfth District Federal Reserve Bank web site. We will discontinue hardcopy mailings on December 31, 2002. We will e-mail a summary of the letter as well as a link to the full text of the letter and its attachments to view and print. To subscribe to this free service, simply visit our web site at <http://www.frbsf.org/banking/> and click on the E-Notification logo.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's Internet site, at <http://www.frbsf.org/banking/letters>. Paper copies of the Board's notice (**Docket R-1140**) are available from our Corporate Services Department. To request copies to be sent by mail, please call (415) 974-2060.

For additional information about the asset-size exemption threshold, please contact our Banking Supervision and Regulation Department at (415) 974-3329.