

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

December 27, 2005

**BANKING SUPERVISION AND REGULATION:
REGULATION C**

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

Annual Notice of Asset-Size Exemption Threshold (Docket R-1245)

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

The asset-size exemption for depository institutions will increase to \$35 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 2005. As a result, depository institutions with assets of \$35 million or less as of December 31, 2005, are exempt from data collection in 2006. An institution's exemption from collecting data in 2006 does not affect its responsibility to report the data it was required to collect in 2005.

The adjustment is effective January 1, 2006.

HMDA and the Board's Regulation C require 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, ethnicity, 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.

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>.

For additional information about the adjustment, please contact our Banking Supervision and Regulation Department at **(415) 974-3028**.

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[Attachment: Docket R-1245](#)