

(u) *Small bank*—(1) *Definition.* *Small bank* means a bank that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.221 billion. *Intermediate small bank* means a small bank with assets of at least \$305 million as of December 31 of both of the prior two calendar years and less than \$1.221 billion as of December 31 of either of the prior two calendar years.

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PART 195—COMMUNITY REINVESTMENT

■ 3. The authority citation for part 195 continues to read as follows:

Authority: 12 U.S.C. 1462a, 1463, 1464, 1814, 1816, 1828(c), 2901 through 2908, and 5412(b)(2)(B).

■ 4. Revise § 195.12(u)(1) to read as follows:

§ 195.12 Definitions.

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(u) *Small savings association*—(1) *Definition.* *Small savings association* means a savings association that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.221 billion. *Intermediate small savings association* means a small savings association with assets of at least \$305 million as of December 31 of both of the prior two calendar years and less than \$1.221 billion as of December 31 of either of the prior two calendar years.

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Federal Reserve System

12 CFR Chapter II

For the reasons set forth in the **SUPPLEMENTARY INFORMATION** section, the Board of Governors of the Federal Reserve System amends part 228 of chapter II of title 12 of the Code of Federal Regulations as follows:

PART 228—COMMUNITY REINVESTMENT (REGULATION BB)

■ 5. The authority citation for part 228 continues to read as follows:

Authority: 12 U.S.C. 321, 325, 1828(c), 1842, 1843, 1844, and 2901 *et seq.*

■ 6. Revise § 228.12(u)(1) to read as follows:

§ 228.12 Definitions.

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(u) *Small bank*—(1) *Definition.* *Small bank* means a bank that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.221 billion. *Intermediate small bank* means a small bank with assets of at least \$305 million as of December 31 of both of the

prior two calendar years and less than \$1.221 billion as of December 31 of either of the prior two calendar years.

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**Federal Deposit Insurance Corporation
12 CFR Chapter III**

Authority and Issuance

For the reasons set forth in the **SUPPLEMENTARY INFORMATION** section, the Board of Directors of the Federal Deposit Insurance Corporation amends part 345 of chapter III of title 12 of the Code of Federal Regulations to read as follows:

PART 345—COMMUNITY REINVESTMENT

■ 7. The authority citation for part 345 continues to read as follows:

Authority: 12 U.S.C. 1814–1817, 1819–1820, 1828, 1831u and 2901–2908, 3103–3104, and 3108(a).

■ 8. Revise § 345.12(u)(1) to read as follows:

§ 345.12 Definitions.

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(u) *Small bank*—(1) *Definition.* *Small bank* means a bank that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.221 billion. *Intermediate small bank* means a small bank with assets of at least \$305 million as of December 31 of both of the prior two calendar years and less than \$1.221 billion as of December 31 of either of the prior two calendar years.

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Dated: December 17, 2014.

Amy S. Friend,
Senior Deputy Comptroller and Chief Counsel.

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority, December 18, 2014.

Robert deV. Frierson,
Secretary of the Board.

By order of the Board of Directors.

Dated at Washington, DC, this 18th day of December, 2014.

Federal Deposit Insurance Corporation.

Robert E. Feldman,
Executive Secretary.

[FR Doc. 2014–30256 Filed 12–24–14; 8:45 am]

BILLING CODE 4810–33–P; 6210–01–P; 6714–01–P

BUREAU OF CONSUMER FINANCIAL PROTECTION

12 CFR Part 1003

Home Mortgage Disclosure (Regulation C) Adjustment to Asset-Size Exemption Threshold

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Final rule; official commentary.

SUMMARY: The Bureau of Consumer Financial Protection (Bureau) is issuing a final rule amending the official commentary that interprets the requirements of the Bureau’s Regulation C (Home Mortgage Disclosure) to reflect a change in the asset-size exemption threshold for banks, savings associations, and credit unions based on the annual percentage change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W). The exemption threshold is adjusted to increase to \$44 million from \$43 million. The adjustment is based on the 1.1 percent increase in the average of the CPI–W for the 12-month period ending in November 2014. Therefore, banks, savings associations, and credit unions with assets of \$44 million or less as of December 31, 2014, are exempt from collecting data in 2015.

DATES: This final rule is effective January 1, 2015.

FOR FURTHER INFORMATION CONTACT: James Wylie, Counsel, Office of Regulations, at (202) 435–7700.

SUPPLEMENTARY INFORMATION:

I. Background

The Home Mortgage Disclosure Act of 1975 (HMDA) (12 U.S.C. 2801–2810) requires most mortgage lenders located in metropolitan areas to collect data about their housing-related lending activity. Annually, lenders must report that data to the appropriate Federal agencies and make the data available to the public. The Bureau’s Regulation C (12 CFR part 1003) implements HMDA.

Prior to 1997, HMDA exempted certain depository institutions as defined in HMDA (*i.e.*, banks, savings associations, and credit unions) with assets totaling \$10 million or less as of the preceding year-end. In 1996, HMDA was amended to expand the asset-size exemption for these depository institutions. 12 U.S.C. 2808(b). The amendment increased the dollar amount of the asset-size exemption threshold by requiring a one-time adjustment of the \$10 million figure based on the percentage by which the CPI–W for 1996 exceeded the CPI–W for 1975, and

it provided for annual adjustments thereafter based on the annual percentage increase in the CPI-W, rounded to the nearest multiple of \$1 million dollars.

The definition of “financial institution” in Regulation C provides that the Bureau will adjust the asset threshold based on the year-to-year change in the average of the CPI-W, not seasonally adjusted, for each 12-month period ending in November, rounded to the nearest million. 12 CFR 1003.2. For 2014, the threshold was \$43 million. During the 12-month period ending in November 2014, the average of the CPI-W increased by 1.1 percent. As a result, the exemption threshold is increased to \$44 million. Thus, banks, savings associations, and credit unions with assets of \$44 million or less as of December 31, 2014, are exempt from collecting data in 2015. An institution’s exemption from collecting data in 2015 does not affect its responsibility to report data it was required to collect in 2014.

II. Procedural Requirements

A. Administrative Procedure Act

Under the Administrative Procedure Act (APA), notice and opportunity for public comment are not required if the Bureau finds that notice and public comment are impracticable, unnecessary, or contrary to the public interest. 5 U.S.C. 553(b)(B). Pursuant to this final rule, comment 1003.2 (Financial institution)-2 in Regulation C, supplement I is amended to update the exemption threshold. The amendment in this final rule is technical and nondiscretionary, and it merely applies the formula established by Regulation C for determining any adjustments to the exemption threshold. For these reasons, the Bureau has determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. Therefore, the amendment is adopted in final form.

Section 553(d) of the APA generally requires publication of a final rule not less than 30 days before its effective date, except for (1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretive rules and statements of policy; or (3) as otherwise provided by the agency for good cause found and published with the rule. 5 U.S.C. 553(d). At a minimum, the Bureau believes the amendments fall under the third exception to section 553(d). The Bureau finds that there is good cause to make the amendments effective on January 1, 2015. The amendment in this final rule

is technical and non-discretionary, and it applies the method previously established in the agency’s regulations for determining adjustments to the threshold.

B. Regulatory Flexibility Act

Because no notice of proposed rulemaking is required, the Regulatory Flexibility Act does not require an initial or final regulatory flexibility analysis. 5 U.S.C. 603(a), 604(a).

C. Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3506; 5 CFR 1320), the agency reviewed this final rule. No collections of information pursuant to the Paperwork Reduction Act are contained in the final rule.

List of Subjects in 12 CFR Part 1003

Banking, Banks, Credit unions, Mortgages, National banks, Reporting and recordkeeping requirements, Savings associations.

Authority and Issuance

For the reasons set forth in the preamble, the Bureau amends Regulation C, 12 CFR part 1003, as set forth below:

PART 1003—HOME MORTGAGE DISCLOSURE (REGULATION C)

- 1. The authority citation for part 1003 continues to read as follows:

Authority: 12 U.S.C. 2803, 2804, 2805, 5512, 5581.

- 2. In Supplement I to Part 1003, under *Section 1003.2—Definitions*, under the definition “*Financial institution*”, paragraph 2 is revised to read as follows:

Supplement I to Part 1003—Staff Commentary

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Section 1003.2—Definitions

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Financial institution.

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2. *Adjustment of exemption threshold for banks, savings associations, and credit unions.* For data collection in 2015, the asset-size exemption threshold is \$44 million. Banks, savings associations, and credit unions with assets at or below \$44 million as of December 31, 2014, are exempt from collecting data for 2015.

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Dated: December 15, 2014.

Richard Cordray,

Director, Bureau of Consumer Financial Protection.

[FR Doc. 2014–30404 Filed 12–24–14; 8:45 am]

BILLING CODE 4810-AM-P

BUREAU OF CONSUMER FINANCIAL PROTECTION

12 CFR Part 1026

Truth in Lending Act (Regulation Z) Adjustment to Asset-Size Exemption Threshold

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Final rule; official interpretation.

SUMMARY: The Bureau is amending the official commentary that interprets the requirements of the Bureau’s Regulation Z (Truth in Lending) to reflect a change in the asset size threshold for certain creditors to qualify for an exemption to the requirement to establish an escrow account for a higher-priced mortgage loan based on the annual percentage change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the 12-month period ending in November. The exemption threshold is adjusted to increase to \$2.060 billion from \$2.028 billion. The adjustment is based on the 1.1 percent increase in the average of the CPI-W for the 12-month period ending in November 2014. Therefore, creditors with assets of \$2.060 billion or less as of December 31, 2014, are exempt, if other requirements of Regulation Z also are met, from establishing escrow accounts for higher-priced mortgage loans in 2015. The adjustment to the escrows exemption asset-size threshold will also increase a similar threshold for small-creditor portfolio and balloon-payment qualified mortgages. Balloon-payment qualified mortgages that satisfy all applicable criteria, including being made by creditors that do not exceed the asset-size threshold, are also excepted from the prohibition on balloon payments for high-cost mortgages.

DATES: This final rule is effective January 1, 2015.

FOR FURTHER INFORMATION CONTACT: James Wylie, Counsel, Office of Regulations, at (202) 435–7700.

SUPPLEMENTARY INFORMATION:

I. Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amended TILA section 129D(a) to contain a general requirement that an escrow account be established by a creditor to pay for property taxes and insurance premiums for certain first-lien higher-priced mortgage loan transactions. Section 1461 of the Dodd-Frank Act also generally permits an exemption from