

# Action Training

## Selected Periodically Adjusting Compliance Thresholds as of January 1, 2018

by Patti Blenden

To assist in updating policies and procedures, we have compiled key compliance thresholds trig-

gering coverage or exclusion from various rules and regulations. Refer to the complete regulation and

commentary for details regarding each of the threshold calculations.

Law & Regulation	Threshold Purpose	Threshold	Effective Date
HMDA / Reg C §1003.2	HMDA Reporter	Depository institution assets >\$45 million as of prior calendar year December 31st and had a branch in an MSA; originated at least one 1st lien 1-4 family dwelling purchase or refi of home purchase in prior year; and originate at least (1) 25 closed-end home purchase loans or refis of home purchases, OR (2) 500 non-excluded dwelling-secured open-end LOCs in both of the 2 preceding years, OR (3) both.	1/1/2018
CRA / Reg BB §228.12(u)	Small Bank Exam Procedures	Assets < \$1.252 billion as of December 31st of <b>either</b> of the prior 2 calendar years	1/1/2018
CRA / Reg BB §228.12(u)	Small Intermediate Bank Exam Procedures	Assets ≥ \$313 million as of December 31st of <b>both</b> of the prior 2 calendar years <b>and</b> < \$1.252 billion as of December 31st of <b>either</b> of the prior 2 calendar years	1/1/2018
CRA / Reg BB §228.12(u)	Large Bank Exam Procedures	Assets of ≥ \$1.252 billion as of December 31st of <b>either</b> of the prior 2 calendar years	1/1/2018
TILA / Reg M §1013.2(e)	Consumer Lease Exclusion	Total contractual obligation > \$55,800 at consummation	1/1/2018
TILA / Reg Z §1026.3(b)	Consumer Loan Exclusion	Loan amount > \$55,800 if credit is non-real estate secured <b>and</b> not a Private Education Loan (PEL)	1/1/2018
TILA / Reg Z §1026.32(a)(1)(ii)	HCM/HOEPA Points and Fees Test	The loan secured by the borrower's principal residence is a high-cost mortgage if points and fees are in excess of thresholds below: Loans ≥ \$21,032 = 5% of loan amount Loans < \$21,032 = lesser of 8% of loan amount or \$1,052	1/1/2018
TILA / Reg Z §1026.35(b)(2)(iii) (A), (B), (C) & (D)	Exemption from Mandatory Escrow on 1st lien Higher-Priced Mortgage Loans (HPMLs) ( <b>Note 1</b> ) [Must meet all 4 criteria!]	Exempt if (1) Assets (including certain affiliates) < \$2.112 billion as of prior 12/31; (2) Together with affiliates originated 2,000 or less 1st lien non-portfolio mortgages during last calendar year; (3) During the prior calendar year, extended a 1st lien covered transaction secured by "rural" or "underserved" property, and (4) Together with affiliates, does not escrow for mortgages currently serviced <b>except</b> HPML escrows established from 4/1/10 to 1/1/16 or for distressed consumers	1/1/2018
TILA / Reg Z §1026.35(c)(2)(ii)	Exemption from HPML Real Estate Appraisal Provisions	Exempt if the higher priced mortgage loan (HPML) transaction is <\$26,000	1/1/2018
TILA / Reg Z §1026.43(e)(3)	Qualified Mortgage (QM) Points and Fees Limitation	A covered transaction is not a QM unless total points and fees [per §1026.32(b)(1)] do not exceed specified limits by loan amount. Loans = \$105,158 = 3% of loan amount Loans = \$63,095 but < \$105,158 = \$3,155 Loans = \$21,032 but < \$63,095 = 5% of loan amount Loans = \$13,145 but < \$21,032 = \$1,052 Loans < \$13,145 = 8% of loan amount	1/1/2018
TILA / Reg Z §1026.43(e)(5)	Small Creditor QM Portfolio Loans Test ( <b>Note 1</b> ) [Must meet both criteria!]	Exempt if meet <b>both</b> tests: (1) Assets (including certain affiliates) < \$2.112 billion as of prior December 31st; and (2) Together with affiliates originated = 2,000 1st lien non-portfolio mortgages during last calendar year.	1/1/2018
TILA / Reg Z §1026.43(f)	Certain Creditor Balloon Payment QM Test ( <b>Note 1</b> ) [Must meet all 3 criteria!]	Exempt if (1) Assets (including certain affiliates) < \$2.112 billion as of prior 12/31; (2) Together with affiliates originated = 2,000 1st lien non-portfolio mortgages during last calendar year; and (3) During the prior calendar year, the creditor extended a 1st lien covered transaction secured by "rural" or "underserved" property	1/1/2018
TILA / Reg Z §1026.52(b)(1)(ii) (A) - (C)	Credit Card Penalty Fee Safe Harbor	A card issuer may impose a fee for violating the card agreement if the fee does <b>not</b> exceed, as applicable: (A) \$27.00; (B) \$38.00 if the card issuer previously imposed a similar penalty fee during the same or 1 of next 6 billing cycles; or (C) 3% of delinquent balance on a charge card requiring monthly payment of outstanding balances if balance has not been paid for = 2 consecutive billing cycles.	1/1/2016
TILA / Reg Z §1026.60(b)(3)	Credit Cards Minimum Interest Charge	Creditor must disclose fixed finance charges in excess of the minimum interest charge > \$1.00 that could be imposed during a billing cycle, and a brief description of the charge.	1/1/2015

**Note 1:** These provisions have a grace period for creditors for applications received before April 1st in the year after the creditor exceeds the applicable qualification tests. Refer to the regulations for complete details.