Home Mortgage Disclosure Act (HMDA) Data Collection

Does the CFPB use the information to benefit or make a determination about an individual?  

No.

What is the purpose?  

Help determine whether financial institutions are serving their communities’ housing needs; assist public officials in distributing public investment; assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes.

Are there controls to enforce accountability?  

Yes, all standard CFPB privacy protections and security controls apply.

What opportunities do I have for participation?  

Most financial institutions must collect and report certain information about home mortgage applications, originations, and purchases.
Overview

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), Public Law No. 111-203, Title X, established the Consumer Financial Protection Bureau ("CFPB" or "Bureau"). The CFPB implements and enforces federal consumer financial laws consistently to ensure that consumers have access to markets for consumer financial products and services, and that such markets are fair, transparent, and competitive.

The Home Mortgage Disclosure Act¹ (HMDA), which Congress enacted in 1975, requires certain financial institutions to collect, record, report, and disclose information about their mortgage lending. Regulation C implements HMDA and sets out specific requirements for the collection, recording, reporting, and disclosure of mortgage lending information.² The data-related requirements in HMDA and Regulation C serve three primary purposes: (1) to help determine whether financial institutions are serving their communities’ housing needs; (2) to assist public officials in distributing public investment to attract private investment; and (3) to assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes.

The Dodd-Frank Act transferred rulemaking authority for HMDA to the Bureau, effective July 2011. Among other changes, the Dodd-Frank Act expanded the scope of information relating to mortgage applications and loans that must be compiled, maintained, and reported under HMDA. On October 15, 2015, the Bureau issued a final rule ("2015 HMDA Rule"), which implements the Dodd-Frank Act amendments and makes other changes to Regulation C.³

Specifically, the 2015 HMDA Rule modifies the types of financial institutions subject to Regulation C; the types of transactions subject to Regulation C; the specific information that covered financial institutions are required to collect, record, and report; and the processes for reporting and disclosing data.⁴

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² 12 C.F.R. Part 1003.
⁴ The 2015 HMDA rule goes into effect in stages. In summary, most provisions of the 2015 HMDA rule go into effect on January 1, 2018 and apply to data collected in 2018 and reported in 2019 or later years. However, an institutional coverage change for depository institutions was effective January 1, 2017. A new quarterly reporting requirement is effective January 1, 2020. In August 2017, the Bureau also issued a rule amending Regulation C to make technical corrections and to clarify certain requirements adopted by the Bureau’s 2015 HMDA Rule. See 82 Fed. Reg. 43088. (Sept. 13, 2017). Those amendments also increase the threshold for collecting and reporting data about open-end
This Privacy Impact Assessment addresses (1) the CFPB’s receipt, processing, and use of HMDA data from financial institutions beginning in 2018; and (2) the changes to HMDA reporting obligations made by the 2015 HMDA Rule. Beginning January 1, 2018, covered financial institutions will file their HMDA data with the CFPB using the HMDA Platform, a web-based data submission and edit-check system that will process HMDA data submitted by financial institutions, and the CFPB will receive and process HMDA data on behalf of the appropriate Federal HMDA agencies. The CFPB will issue separate PIAs that address the HMDA Platform itself and the publication of loan-level HMDA data. A System of Records Notice is not required for the HMDA data collection, as the dataset is not searchable by a direct personal identifier. The information contained in the data submitted through the HMDA Platform complies with the Paperwork Reduction Act in accordance with information collection Office of Management and Budget (OMB) No. 3170-0008.

Privacy Risk Analysis

The key privacy risks raised by the HMDA data collection are:

- Individual Participation
- Data Quality and Integrity
- Data Minimization
- Security

**Individual Participation:**

There are limited opportunities for individuals to consent to the collection of HMDA data by financial institutions. Under Regulation C, applicants may choose whether to provide requested information concerning ethnicity, race, and sex to financial institutions as part of their mortgage lines of credit for a period of two years so that financial institutions originating fewer than 500 open-end lines of credit in either of the preceding two years will not be required to begin collecting such data until January 1, 2020.

5 Appropriate federal agencies are member agencies of the Federal Financial Institutions Examination Council—the Bureau, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the National Credit Union Administration—as well as the Department of Housing and Urban Development (collectively, “Federal HMDA agencies”).

application. Regulation C provides that, if an applicant declines to provide this information for an application taken in person, the lender must collect the applicant’s ethnicity, race, and sex on the basis of visual observation or surname.

Beginning in 2018, Regulation C requires financial institutions also to record whether ethnicity, race, or sex information was collected on the basis of visual observation or surname when an application is taken in person and the applicant does not provide the information. If an applicant declines to provide the information for an application taken by mail or telephone or on the internet, the lender does not collect the information or report the information to regulators.

Once an application is received by a covered financial institution, individual applicants and borrowers cannot decline to have the financial institution file their information to the Bureau. Covered financial institutions, which includes certain banks, savings associations, credit unions, and for-profit nondepository mortgage lending institutions, are required under HMDA to submit information to the Federal HMDA agencies about mortgage applications and loans that covered financial institutions originate or purchase, including information about applicants and borrowers, such as race, ethnicity, sex, annual income (rounded to nearest thousand), and, beginning in 2019, the applicant’s or borrower’s age, the credit score relied on, the reasons any application was denied, and other information.

The fact that the Federal HMDA agencies do not collect HMDA data directly from applicants and borrowers, and that the Bureau collects HMDA data on behalf of other appropriate federal agencies, creates a risk that applicants and borrowers are not aware of the data collection. However, the existence of both HMDA and Regulation C provide notice to the public that financial institutions will report data about mortgage applications and originations to the Federal HMDA agencies.

Moreover, covered financial institutions are required to inform mortgage loan applicants that federal law requires that the lenders ask applicants for the ethnicity, race, and sex of the applicant to monitor compliance with federal statutes that prohibit lenders from discriminating against applicants on these bases.

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7 Beginning in 2018, Regulation C will require lenders to permit applicants and borrowers to self-identify using disaggregated ethnic and racial categories.

8 Age and credit score are new data points under the 2015 HMDA Rule. These data will be collected beginning in 2018 and first reported to Federal HMDA agencies, including the CFPB, in 2019.
Data Quality and Integrity: Because the Bureau relies on the financial institution to provide accurate data, it does not independently verify that the data is accurate upon submission. However, the HMDA Platform is expected to increase the quality and integrity of the HMDA data by confirming that the information is formatted appropriately and satisfies certain requirements. The HMDA Platform will lead the financial institutions through a five-step process, which includes the review of any possible data inaccuracies, certifying the accuracy and completeness of the data, submitting the data, and receiving a confirmation receipt. The privacy risks associated with data quality and integrity are minimal because the Bureau does not use any information collected through this interaction to deprive an individual of a right or benefit.

Data Minimization: To promote the purposes of HMDA and Regulation C, financial institutions are required to report certain information collected in the course of processing loan applications concerning applicants and borrowers and the application and loan, respectively. The Dodd-Frank Act both expanded the scope of information that financial institutions must compile and report, and it authorized the Bureau to require financial institutions to compile and report additional data.

Although the 2015 HMDA Rule added several new reporting requirements, in developing and adopting the 2015 HMDA Rule, the Bureau carefully considered the potential risks to applicant and borrower privacy, and the potential burdens on financial institutions, and determined that any such risks are justified by the benefits of collecting the data in light of HMDA’s purposes. For example, the Dodd-Frank Act amendments to HMDA require financial institutions to report applicant age. In light of potential privacy concerns, rather than implementing this requirement by requiring financial institutions to report date or year of birth, the 2015 HMDA Rule requires the reporting of age at the time of application as a more privacy-protective approach. To further minimize the data collected, the CFPB also did not adopt in the 2015 HMDA Rule some of the new or amended data points it initially proposed, such as the proposed requirements to report qualified mortgage status or the initial draw on an open-end line of credit.

Security: As with any large dataset, there is a risk that HMDA data could be subject to unauthorized access in transit to or while maintained by the CFPB. If reported non-public HMDA data were exposed, there is a risk that the data could be matched to other data to reidentify applicants and borrowers and could disclose information about applicants and borrowers that may be harmful or sensitive.
The HMDA Platform has been categorized as “Moderate” in accordance with the Federal Information Processing Standards Publication (“FIPS PUB”) 199, and the Authority to Operate (“ATO”) for the HMDA Platform was granted December 22, 2017. The Bureau is responsible for securing the information after it has been submitted through the HMDA Platform. The Bureau is responsible for securing the information after it has been submitted through the HMDA Platform. The Bureau takes strong measures to mitigate and address any risks to the security of sensitive data it receives, consistent with the guidance and standards set for federal information security programs, and the Bureau is committed to protecting the information security of the HMDA data it receives from financial institutions. The financial institution is responsible for securing the information outside of the HMDA Platform. As with all systems the CFPB maintains and operates, there are internal controls to promote the appropriate use of information by CFPB employees. The CFPB provides its employees with appropriate privacy and security training to ensure information is used and secured appropriately.

The technical, physical, and administrative controls implemented to promote individual participation, minimization, and accountability are appropriate.

Privacy Risk Management

1. Describe what information the CFPB collects, how the information is collected, and the sources from which the information is collected.

The CFPB will collect HMDA data annually from covered financial institutions that are required to report under Regulation C regarding originations of, purchases of, and applications for covered loans.

In 2018, the CFPB will collect 2017 HMDA data from financial institutions that meet the institutional coverage criteria for depository institutions or other mortgage lending institutions as of December 31, 2016.

A depository institution is covered if it meets the following tests:

9 Beginning in 2020, larger covered financial institutions will submit HMDA data on a quarterly basis.
Certain other mortgage lending institutions are covered if they meet the following criteria:

- The institution is a for profit mortgage lending institution that is not a bank, savings association, or credit union
- Loan volume or amount test
- Location test
- Asset-size or loan activity test\textsuperscript{11}

In 2018, covered financial institutions will submit HMDA information collected in 2017 to the CFPB about the following transactions:\textsuperscript{12}

- Home purchase loans
- Home improvement loans
- Refinancings

In 2018, covered financial institutions will file the following HMDA data collected in 2017 to the CFPB as required by Regulation C:\textsuperscript{13}

Application or loan information

- Identification number\textsuperscript{14}

\textsuperscript{10} The 2015 HMDA Rule narrows the scope of depository institutions subject to Regulation C in 2017. A bank, savings association, or credit union is not be required to collect HMDA data in 2017 unless it meets the asset-size, location, federally related, and loan activity tests under the previous rule. In addition, it must also meet the loan volume threshold test for 2017, which means that, in each of the two preceding calendar years, it originated at least 25 home purchase loans, including refinancings of home purchase loans.


\textsuperscript{12} Transactions involving home equity lines of credit for home purchase or home improvement in 2017 may be reported in 2018 at the institution's option.

\textsuperscript{13} See Regulation C, 12 C.F.R. § 1003.1(c) (requiring certain financial institutions, including banks, savings associations, credit unions, and other mortgage lending institutions to report data about home purchase loans, home improvement loans, and refinancings that it originates or purchases, or for which it receives applications, and to disclose certain data to the public).

\textsuperscript{14} HMDA does not require the reporting of PII that directly identifies an applicant or borrower, and staff commentary to Regulation C applicable to data collected in 2017 strongly discourages institutions from including in identification numbers names or social security numbers, which are direct identifiers. However, in its submission of data collected
• Date the application was received
• Loan type
• Property type
• Loan purpose
• Occupancy type
• Loan amount
• Preapproval request

Action taken

• Type of action
• Date the action was taken

Property location

• Metropolitan Statistical Area/Metropolitan Division (MSA/MD) code
• State code
• County code
• Census tract number

Applicant information

• Ethnicity, race, and sex
• Income

Sale of the loan

• Purchaser type

Denial reasons, optional, except as required by certain financial institutions regulated by the OCC and FDIC

Loan price and lien status

• Rate spread for certain higher cost loans

in 2017, an institution may include such information as part of an application or loan number. With respect to data collected in 2018 or later, the 2015 HMDA Rule prohibits a financial institution from including information that could be used to directly identify the applicant or borrower in the identifier that it assigns to an application or loan.
• Home Ownership and Equity Protection Act (HOEPA) status
• Lien status

Beginning in 2019, financial institutions that meet the coverage criteria applicable in 2018 will report 2018 HMDA data to the CFPB.\textsuperscript{15}

A depository institution meets the coverage threshold if it meets the following tests:

• Asset-size
• Location
• Loan activity
• Federally related
• Loan volume\textsuperscript{16}

A nondepository institution meets the coverage threshold if it meets the following tests:

• Location
• Loan volume\textsuperscript{17}

There are changes to the criteria for determining the transactions on which financial institutions will report data. Beginning with data collected in 2018 and reported in 2019, covered transactions will include:

• Closed-end mortgage loans and open-end lines of credit secured by a dwelling
• Dwelling-secured business-purpose loans and lines of credit only if they are home purchase loans, home improvement loans, or refinancings
• Home improvement loans only if they are secured by a dwelling
• Mandatory reporting of approved but not accepted preapproval requests for home purchase loans

\textsuperscript{15}See Regulation C, 12 C.F.R. § 1003.1(c), effective Jan. 1, 2018 (requiring a financial institution, as defined in § 1003.2(g), to submit data to the appropriate federal agency for the financial institution, and to disclose certain data to the public, about covered loans for which the financial institution receives applications, or that it originates or purchases, and that are secured by a dwelling located in a state, the District of Columbia, or Commonwealth of Puerto Rico).

\textsuperscript{16}For data collected by an institution in 2018 and reported to the CFPB in 2019, the loan volume threshold is met if the depository institution originated at least 25 covered closed-end mortgage loans or at least 500 open-end lines of credit in each of the two preceding calendar years.

\textsuperscript{17}For data collected by an institution in 2018 and reported to the CFPB in 2019, the loan volume threshold is met if the nondepository institution originated at least 25 covered closed-end mortgage loans or at least 500 open-end lines of credit in each of the two preceding calendar years.
Covered transactions also do not include agricultural-purpose transactions, temporary financing, or other specifically excluded transactions, even if they are dwelling-secured.

Beginning in 2019, the CFPB will collect the following HMDA information from financial institutions:

Applicants and Applications

- Ethnicity, race, and sex
- Age
- Income
- Debt-to-income ratio
- Credit score
- Automated underwriting system and result
- Application channel
- Reason(s) for denial
- Application date
- Preapproval request

Property

- Property location by address, state, county, and census tract
- Lien status
- Property value
- Combined loan-to-value ratio
- Construction method
- Manufactured home secured property type
- Manufactured home land property interest
- Total units
- Multifamily affordable units
- Occupancy type

Transaction

- Loan type
- Loan purpose
- Loan amount
- Action taken and action taken date
- Type of purchaser
- Rate spread
- HOEPA status
- Total loan costs or total points and fees
- Origination charges
- Discount points
- Lender credits
• Interest rate
• Prepayment penalty term
• Loan term
• Introductory rate period
• Non-amortizing features
• Reverse mortgage indicator
• Open-end line of credit indicator
• Business or commercial purpose indicator

Other Data Points

• Universal Loan Identifier
• Mortgage Loan Originator Identifier

To facilitate data submission a financial institution must also submit the following transmission information:

• Its name
• The calendar year (beginning in 2020 certain institutions must also submit the calendar quarter to which the data relate)\(^{18}\)
• The name and contact information for a person who can be contacted with questions about the submission
• The financial institution’s appropriate federal agency
• The total number of entries in the submission
• The financial institution’s Federal Taxpayer Identification Number

For data collected by the Bureau in 2018, the transmission also includes the Respondent Identification Number. Beginning in 2019, the transmission includes the financial institution’s Legal Entity Identifier instead of the Respondent Identification Number.

Beginning in 2018, financial institutions will report HMDA data in encrypted form via a web-based submission tool, known as the HMDA Platform.\(^{19}\) The HMDA Platform will rely on user accounts for each HMDA filer to allow a financial institution to upload the HMDA file, check on

\(^{18}\) As stated in footnote 4, the 2015 HMDA Rule goes into effect in stages, and a new quarterly reporting requirement is effective January 1, 2020 for institutions that reported for the preceding calendar year at least 60,000 covered loans and applications, combined, excluding purchased loans.

status of the filing, complete the review and verification steps, and complete the annual filing process.

The Bureau conducted extensive analysis and outreach in determining the financial institutions and transactions to be covered by and the data to be reported under the 2015 HMDA Rule. HMDA authorizes the Bureau’s collection of data from financial institutions, and the 2015 HMDA Rule significantly advances the objectives of the statute.\(^{20}\) In evaluating the data to be reported under the 2015 HMDA Rule, the Bureau considered the objectives of HMDA in light of potential burdens on financial institutions and potential risks to applicant and borrower privacy, and took steps to reduce these potential risks and burdens where possible.

2. Describe CFPB’s objective for the information.

Beginning in 2018, the Bureau will collect HMDA data on behalf of itself and the other Federal HMDA agencies.\(^{21}\) The Bureau will use the HMDA data collected for purposes including:

- To determine whether financial institutions are serving the housing needs of their communities;
- To assist public officials in distributing public-sector investment so as to attract private investment to areas where it is needed; and
- To assist in identifying possible discriminatory lending patterns and enforce antidiscrimination statutes.

Throughout the development of the 2015 HMDA Rule, the relevance of each data element was considered with regard to furthering the statutorily-defined purposes of HMDA. The Bureau determined that the HMDA data collected under the 2015 HMDA Rule significantly furthers the

\(^{20}\) A complete analysis and definition of each element can be found in the 2015 HMDA Rule, available at 80 Fed. Reg. 66127 (Oct. 28, 2015).

\(^{21}\) See Regulation C, Appendix A.II, effective Jan. 1, 2018 (prescribing that a financial institution shall submit its loan/application register in electronic format to the appropriate federal agency at the address identified by such agency). See also Regulation C, 12 C.F.R. § 1003.5(a), effective Jan. 1, 2019 (prescribing that a financial institution shall submit its annual loan/application register to the appropriate federal agency at the address identified by such agency) and § 1003.5(a)(i)(ii), effective Jan. 1, 2020 (prescribing that within 60 calendar days after the end of each calendar quarter except for the fourth quarter, a financial institution that reported for the preceding calendar year at least 60,000 covered loans and applications, combined, excluding purchased covered loans, shall submit to the appropriate federal agency its loan/application register containing all data required to be recorded for that quarter pursuant to §1003.4(f)). The agencies have agreed that beginning with data collected by financial institutions in 2017 to be submitted by March 1, 2018, financial institutions will file their HMDA data with the Bureau.
purposes of the statute. Additional information on uses and disclosures of HMDA data can be found in the next section of this PIA.

3. Describe how CFPB shares any of the information with third parties with whom the CFPB shares the information for compatible purposes, e.g. federal or state agencies, the general public, etc.

Beginning in 2018, the CFPB will take over responsibility from the Board of Governors of the Federal Reserve System (“Board”) for receiving and processing HMDA data on behalf of the Federal HMDA agencies. Consistent with Board practice, the CFPB will securely transfer HMDA data to these agencies through periodic updates. As in the past, these agencies may use the data for various purposes, including determining whether financial institutions are serving the housing needs of their communities; distributing public-sector investments so as to attract private investment to areas where it is needed; and identifying possible discriminatory lending patterns, and enforcing antidiscrimination statutes. The CFPB may also make HMDA data available to certain other federal agencies, such as Federal Housing Finance Agency, Federal Trade Commission, and the Department of Justice, for purposes such as monitoring affordable housing goals and assisting in identifying possible discriminatory lending patterns. The CFPB will also disclose certain HMDA data to the public, and this release will be addressed in a subsequent PIA.

Any disclosures made will be in accordance with the CFPB’s rules on treatment of confidential information, 12 C.F.R. Part 1070.

4. Describe what opportunities, if any, individuals to whom the information pertains have to (a) receive notice regarding the CFPB’s use of the information; (b) consent to such use; (c)

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22 On September 25, 2017, the Bureau published in the Federal Register a notice of proposed policy guidance concerning the public disclosure of HMDA data with request for public comment. See 82 Fed. Reg. 44586. The comment period closed on November 24, 2017. The proposed policy guidance would apply to HMDA data to be reported beginning in 2019.
access the information that pertains to them; or (d) obtain redress.

If an individual chooses to apply for or obtain a covered mortgage loan from a financial institution covered by Regulation C, HMDA and Regulation C require that the institution report data about the application or loan to the Federal HMDA agencies. Notice regarding a financial institutions’ obligation to file HMDA data with the Bureau on behalf of the Federal HMDA agencies is provided by Regulation C and this PIA. With regard to specific questions of ethnicity, race and sex, the mortgage application forms or a lender representative informs the applicant that federal law requires the lender to ask for this information in order to monitor compliance with federal statutes that prohibit lenders from discriminating against applicants on these bases.

There are limited opportunities for individuals to consent to the collection of HMDA data by financial institutions. Under Regulation C, applicants may choose whether to provide requested information concerning ethnicity, race, and sex to financial institutions as part of their mortgage application. Regulation C provides that, if an applicant declines to provide this information for an application taken in person, the lender must collect the applicant’s ethnicity, race, and sex on the basis of visual observation or surname.

Beginning in 2018, Regulation C requires financial institutions also to record whether ethnicity, race, or sex information was collected on the basis of visual observation or surname when an application is taken in person and the applicant does not provide the information. If an applicant declines to provide the information for an application taken by mail or telephone or on the internet, the lender does not collect the information or report the information to regulators.

There are no opportunities available for individuals to consent to an institution’s reporting of HMDA data. Further, the CFPB does not provide opportunities to the individual to access information that pertains to them that has been reported, or to obtain redress.

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23 Beginning in 2018, Regulation C will require lenders to permit applicants and borrowers to self-identify using disaggregated ethnic and racial categories.
5. Explain the standards and relevant controls that govern the CFPB’s—or any third party contractor(s) acting on behalf of the CFPB—collection, use, disclosure, retention, or disposal of information.

The Bureau complies with the Privacy Act of 1974, Right to Financial Privacy Act, and E-Government Act of 2002; the CFPB voluntarily adopts Office of Management and Budget privacy related guidance as a best practice;24 and it applies the National Institute of Standards and Technology (NIST) risk management processes for privacy.

The CFPB uses the following technical and administrative controls to secure the data and create accountability for the Bureau’s appropriate collection, use, disclosure, and retention of the information:

**Access Control**
- Role-based Access Controls based on least privilege and need-to-know

**Change Management**
- All changes to HMDA systems shall be documented and approved via CFPB processes (i.e. Release Management, Change Control Board, Engineering Review Board)

**Awareness & Training**
- CFPB Personnel Privacy Training, including annual and role-based training

**Operations & Maintenance**
- Extract logging and 90-day reviews

**Federally-Mandated Compliance**
- Federal Information Security Management Act (FISMA) Compliance
- NIST 800-30 Compliance
- NIST 800-37 Compliance

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24 Although pursuant to Section 1017(a)(4)(E) of the Consumer Financial Protection Act, Pub. L. No. 111-203, the CFPB is not required to comply with OMB-issued privacy guidance, the Bureau voluntarily follows OMB privacy-related guidance as a best practice and to facilitate cooperation and collaboration with other agencies.
• NIST 800-53 Compliance

• Compliance with OMB Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, Security, and Integrity of Information Disseminated by Federal Agencies

• Records Schedule Submitted to/Approved by National Archives and Records Administration (NARA): Records will be disposed of according to the applicable records schedule

Audit & Accountability

• Information Quality and Integrity Checks

Incident Response

• Audit Logs and Reviews

• CFPB Privacy Incident Response and Recovery Plan and contractual obligations for third parties to support CFPB Privacy Incident Response and Recovery Plan (in conjunction with Cybersecurity Incident Response and Recovery Planning)

Authentication / Identity, Control, and Access Control (ICAM)

• Enterprise Identity Naming Standards

Physical Security

• Personnel Security supported through due diligence screening

CFPB Policies, Guidelines and Standards

• Compliance with CFPB Cybersecurity policy and procedures
  ▪ Cybersecurity Program Policy
  ▪ Risk Management Process
  ▪ Risk Assessment Methodology

• Policy and Standard Operating Procedures

In addition to the controls listed in this section, the Bureau is developing the HMDA Platform to collect and manage the HMDA data with modern information technology approaches. These approaches will provide for a secure environment and one that will enable improvements over time. Generally speaking, financial institutions will report their
HMDA data via a secure web transmission site, called the HMDA Platform. The HMDA Platform:

- Requires modern Web browsers to file, limiting the opportunity for software vulnerabilities
- Requires digital signatures from an authorized individual from the financial institution to promote authentication, data integrity, and non-repudiation
- Employs a secure means of transfer of data from the reporting financial institution to CFPB
- Leverages the National Address Database to support accurate geocoding of HMDA data by financial institutions

The CFPB may use contractors to help support the collection, use, disclosure, or retention of information covered by this PIA, and those contractors are subject to similar controls. Contractors with access to Bureau-maintained data that contains PII are required to report suspected or confirmed privacy breaches to the CFPB as soon as possible and without unreasonable delay. Other requirements placed on contractors may include training on privacy and compliance with federal privacy requirements and Federal Acquisition Regulations.

6. Discuss the role of third party(ies) that collaborate or partner with the CFPB, if any. Identify any controls used to protect against inappropriate collection, use, disclosure, or retention of information. (This does not include third parties acting on behalf of the CFPB, e.g., government contractors discussed in Question 5.)

To support implementation of Regulation C and promote HMDA compliance, the Bureau may at times collaborate with third parties, such as technology vendors and mortgage industry experts. These activities may include system testing and do not involve accessing HMDA data. As such, the risk of inappropriate collection, use, and disclosure or retention of information by these third parties is minimal.

In any instance of sharing with a third party, controls are put in place to protect against inappropriate collection, disclosure, and retention depending on the type of sharing or data involved. Depending on the particular sharing typical controls might include:
- Compliance with all federally mandated policies and standards
- Compliance with CFPB internal policies and standards, including cybersecurity policies and procedures
- Data quality and integrity checks
- Data encryption
- Transmission protections
- Extract logging and 90-day reviews
- Role-based Access Controls
## Change control

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<th>Summary of material changes</th>
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<td>2</td>
<td>Clarification on inadvertent collection of PII</td>
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