



Privacy Impact Assessment of Mortgage Data Collection

Program or Application Name:

Mortgage Data Collection System

System Owner:

Board of Governors of the Federal Reserve System's Division of Banking
Supervision and Regulation

Contact information:

System Owner: Lisa Ryu
Organization: Division of Banking Supervision and Regulation
Board of Governors of the Federal Reserve System
Address: 20th St. & Constitution Ave, NW
Washington, DC 20551
Telephone: 202-263-4833

IT System Owner: Robert Ashman, Assistant Director
Organization: Division of Banking Supervision and Regulation
Board of Governors of the Federal Reserve System
Address: 20th St. & Constitution Ave, NW
Washington, DC 20551
Telephone: 202-452-3582

Summary description of the program or application:

The Mortgage Data Collection System maintains certain of the information collected from Bank Holding Companies (BHCs) by the Board of Governors of the Federal Reserve System (Board) through the Capital Assessments and Stress Testing Report (FR Y-14M report). The FR Y-14M report collects detailed data

on BHCs' loan portfolios, which is used to support supervisory stress testing models and for continuous monitoring efforts. The Mortgage Data Collection System specifically maintains the following two FR Y-14M loan- and portfolio-level collections: (1) Domestic First Lien Closed-End 1-4 Family Residential Loan (FR Y-14M Schedule A); and (2) Domestic Home Equity Loan and Home Equity Line (FR Y-14M Schedule B). The Mortgage Data Collection System additionally maintains the FRY-14M address matching collection which supplements the first lien and second lien collections (FR Y-14M Schedule C).

The Board has contracted with an external data aggregator to work directly with the firms to collect the FR Y-14M regulatory report. The data aggregator processes the data and prepares it for transmission to the Federal Reserve. Once the Federal Reserve receives the data it is uploaded into an internal secure system.

1. Information concerning individuals that is being collected and/or maintained

Information collected in the FR Y-14M first lien, second lien, and address matching data collections and maintained in the Mortgage Data Collection System includes: loan number; original loan amount; debt to income ratios; credit score; occupancy status of mortgaged property; borrower bankruptcy history; outstanding loan balance; information relating to whether the loan has been modified or extended, is in default or foreclosure, or subject to the servicer's loss mitigation procedures; the mortgaged property's street address, city, state, and zip code; and borrower's mailing address. The first and second lien mortgage information and the address matching schedule can be used in conjunction with each other to tie loan-level information with specific property addresses. The FR Y-14M schedules do not collect personally identifiable information that directly identifies an individual borrower. However, it is possible that the reported information may, when combined with publicly available information, be used to identify an individual borrower. For the full list of data collected by the FR Y-14M first lien, second lien, and address matching collections, please refer to "Instructions for the Capital Assessments and Stress Testing Information Collection (Reporting Form FR Y-14M)" (OMB No. 7100-0341), available at http://www.federalreserve.gov/reportforms/forms/FR_Y-14Q20140930_i.pdf.

2. Source(s) of each category of information listed in item 1.

The information identified in item 1 is obtained from BHCs' monthly submissions of the FR Y-14M schedules. An external vendor has been contracted by the Board

to interact with the reporting institutions to collect the data. Once collected, the vendor performs edit checks, processes the data and makes it available for pick up and storage by the Federal Reserve. All data transmission and storage systems, including by the external vendor, are compliant with NIST security controls for information systems rated Moderate. For further information on the administrative and technological procedures used to secure the information against unauthorized access, see Section 8 below.

3. Purpose for which the information is being collected.

The FR Y-14M is a monthly regulatory report that collects detailed information on the portfolios of the BHCs required to participate in the Comprehensive Capital Analysis and Review (CCAR) and the Dodd-Frank Act Stress Testing (DFAST). The report comprises three loan- and portfolio- level collections and one detailed address matching collection to supplement two of the loan- and portfolio- level collections. For these monthly data collections, each reporting BHC must submit loan-level data for all loans directly held on the BHC's portfolio and all loans serviced by the BHC. The Mortgage Data Collection System includes the information collected from two of the three FR Y-14M loan- and portfolio-level collections: (1) Domestic First Lien Closed-End 1-4 Family Residential Mortgage and (2) Domestic Home Equity Loan and Home Equity Line. The Mortgage Data Collection System also includes the FR Y-14M address matching collection relating to the first and second lien mortgage collections.

The information collected is used to assess the capital adequacy of large BHCs using forward-looking projections of revenue and losses, to support supervisory stress test models and continuous monitoring efforts, and to inform the Federal Reserve's operational decision making as it continues to implement the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"). The monthly data collection improves the Federal Reserve's ability to perform its continuous risk-monitoring function by providing more timely data.

4. Who will have access to the information.

Access to FR Y-14M data is granted only to Federal Reserve analysts who have clearly demonstrated the need to access the data and are actively working with the data to carry out the Federal Reserve's supervision responsibilities, either on DFAST/CCAR programs, other supervisory activities, or research that furthers supervisory activities. Access will typically not be granted to the entire FR Y-14M data collection. Rather, access will be limited to the specific schedules and

specific reporting institutions that an analyst has a need to access to carry out supervision or research responsibilities. Access will not be permanent or open-ended. Validation requirements for users will be conducted on an annual basis. The FR Y-14M data are shared with the OCC and the CFPB for the institutions supervised by the respective agency. In addition, the FR Y-14M data are also shared with Department of Treasury's Office of Financial Research pursuant to Sections 153 and 154 of the Dodd-Frank Act in order to create work product related to financial stability including conducting financial research and analyses, and preparing reports, memoranda, working papers, agent based modeling and interdependency modeling. The FR Y-14M data are protected through agreements identifying appropriate usage and protection requirements.

5. Whether the individuals to whom the information pertains will have an opportunity to decline to provide the information or to consent to particular uses of the information (other than required or authorized uses).

There are no opportunities for individuals to decline the collection of or consent to particular uses of the information.

6. Procedure(s) for ensuring that the information maintained is accurate, complete, and up-to-date.

The aggregator which receives the raw FR Y-14M data submissions from the BHCs runs validation and edit checks on the data to ensure that the data are error-free and usable by the Board.

7. The length of time the PII will be retained, and how it will be purged.

FR Y-14M submissions that are used by the Board for stress testing must be maintained by the Board for five years. Any versions of the FR Y-14M submissions that are not used for stress testing, however, may be destroyed by the Board when there is no longer a need to maintain them. Data collected at the vendor site will be retained for one year past the date of transfer to the Federal Reserve. Both the vendor and the Board dispose of the data in accordance with data destruction policies in compliance with NIST security controls for information systems rated Moderate. Additionally, the vendor must destroy the "raw" data file and data "extract" file in the database when one year old, unless instructed otherwise by the Board or FRB Philadelphia.

8. The administrative and technological procedures used to secure the information against unauthorized access.

Several physical and logical security controls are in place to prevent unauthorized access to the IT system containing the information as well as to the information itself. Individual users are authorized on a need to know basis at the hardware, operating system, database and data levels and access is verified on an annual basis. The information is encrypted during transmission and only previously identified and authorized devices can send or receive the data.

Access to the information is governed by the Board’s Information Security Classification and Handling Guide, the Board’s Information Security Program (which includes all applicable NIST controls), the Division of Banking Supervision and Regulation’s Access Policy for Confidential Supervisory Information, and all standard procedures set forth to implement the policies. Training on information security and privacy awareness is required annually for all Board and Federal Reserve Bank staff. Additionally, all information systems housing or processing the information are protected by current virus scanning utilities.

9. Whether a new system of records under the Privacy Act will be created. (If the data is retrieved by name, unique number, or other identifier assigned to an individual, then a Privacy Act system of records may be created).

Because information within the Mortgage Data Collection System is not retrieved by reference to a personal identifier, a System of Records Notice under the Privacy Act is not required. The Mortgage Data Collection System does not contain any personal identifiers about an individual.

<i>/signed/</i>	<i>10/2/2018</i>
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Sharon Mowry, Chief Information Officer	Date

<i>/signed/</i>	<i>10/2/2018</i>
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Raymond Romero Senior Agency Official for Privacy	Date