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## INFORMATIONAL MEMORANDUM



September 14, 2021

To: Chief Executive Officer  
Each Farm Credit System Institution

From: Roger Paulsen, Director and Chief Examiner  
Office of Examination

Subject: Mortgage servicing COVID-19 final rule, interpretive rule on the impact of the 2021 Juneteenth holiday on certain mortgage and disclosure timing requirements, compliance resources

This informational memorandum discusses regulation updates and resources from the Consumer Financial Protection Bureau (CFPB) and the Federal Financial Institutions Examination Council (FFIEC). We are providing this information as a courtesy to keep you informed of issues that may affect your institution.

### **Mortgage servicing COVID-19 final rule**

The CFPB issued a final rule amending certain provisions of Regulation X regarding assistance for mortgage borrowers experiencing hardships related to COVID-19. The rule includes temporary provisions that assist borrowers affected by the COVID-19 emergency. The rule applies only to a mortgage loan secured by the borrower's principal residence. Small servicers, as defined in the mortgage servicing rules of Regulation X, are generally not subject to this rule.

The rule was published in the Federal Register at [FR 86 34848 \(PDF\)](#) on June 30 and took effect on August 31. For more information, see these CFPB documents:

- [Executive Summary of the 2021 Mortgage Servicing COVID-19 Rule \(PDF\)](#)
- [Unofficial Redline of the 2021 Mortgage Servicing COVID-19 Final Rule \(PDF\)](#), which shows the changes that the final rule makes to Regulation X's regulatory text and commentary.

### **Interpretive rule on impact of Juneteenth holiday on certain closed-end mortgage and disclosure timing requirements**

The CFPB issued an interpretive rule to provide guidance on certain Regulation Z timing requirements related to rescission of closed-end mortgages and the TILA-RESPA integrated disclosures. For the purpose of these timing requirements, the definition of "a business day" excludes any day designated as a federal holiday. The interpretive rule explains these

timing requirements in light of recent legislation that designated June 19, Juneteenth National Independence Day, a federal holiday.

The rule clarifies that, for rescission of closed-end mortgages and TILA-RESPA Integrated Disclosures, whether June 19 counts as a business day or federal holiday depends on when the relevant time period began:

- If the relevant period began on or before June 17, then June 19 was a business day.
- If it began after June 17, then June 19 was a federal holiday.

Additionally, the interpretive rule explains that nothing prohibits creditors from providing longer time periods. Therefore, it would be acceptable for creditors to have considered June 19, 2021, a federal holiday for purposes of these provisions.

The rule was published in the Federal Register at [FR 86 44267 \(PDF\)](#) on August 12 and was effective on the date of publication.

### **Compliance-related resources**

The CFPB and the FFIEC periodically provide resources to help financial institutions understand, implement, and comply with CFPB regulations. Recent guidance includes the following:

- [TRID \(Housing Assistance Loans\) FAQs](#), updated May 14
- [Mortgage Servicing \(Escrow Accounts\) FAQs](#), updated June 2
- [Electronic Fund Transfers FAQs](#), updated June 4
- [A Guide to HMDA Reporting: Getting It Right! \(2021 edition\) \(PDF\)](#)
- [Mortgage Servicing Small Entity Compliance Guide \(PDF\)](#), updated August 4

You can find the language of all CFPB rules, as well as resources for implementing and complying with its rules, on the [CFPB website](#). Since the CFPB constantly updates this information, you should refer to the website frequently to ensure you have the latest information. To receive updates on rules and compliance resources as they become available, go to the [Compliance](#) page and sign up for email updates.

Please note that reviewing this informational memorandum is not a substitute for reviewing the resources provided on the CFPB website. Reviewing this website is part of exercising your due diligence in monitoring issues that may affect your institution.

If you have any questions about this informational memorandum, please contact Jennifer Cohn, Senior Counsel, Office of General Counsel, at (720) 213-0440 or [cohnj@fca.gov](mailto:cohnj@fca.gov), or Lynn Major, Senior Examiner, Office of Examination, at (703) 883-4285 or [majors@fca.gov](mailto:majors@fca.gov).