

NR 98-1
January 5, 1998

OCC Fines AMCORE Banks for HMDA Reporting Errors

WASHINGTON, D.C. -- The Office of the Comptroller of the Currency (OCC) today announced the assessment of a total of \$6,000 in civil money penalties against AMCORE Bank, N.A., Rock River Valley and AMCORE Bank, N.A., Rockford, Illinois. The OCC assessed the penalties for violations of the data collection and reporting requirements of the Home Mortgage Disclosure Act (HMDA).

Under terms consented to by AMCORE's board of directors, each bank paid a fine of \$3,000 to the Treasurer of the United States, for filing inaccurate HMDA reports for 1996. An OCC compliance examination conducted earlier this year revealed numerous reporting errors at each bank. The OCC's review of files sampled at the Rock River Valley Bank found an error rate of 47 percent; a similar review at the Rockford Bank found an error rate of 70 percent. Subsequent to the discovery of the violations, each bank took corrective action to prevent recurring violations.

National banks are required by the HMDA (12 U.S.C. §2801 et seq.) and Regulation C (12 C.F.R. §203) to collect and report data on applications for, and originations and purchase of home mortgage and home improvement loans annually. The OCC uses this data to help determine whether banks are meeting their obligation to serve the housing credit needs of their communities in a full and non-discriminatory manner.

In January 1997, the OCC issued Advisory Letter 97-1, reminding national banks that civil money penalties may be assessed for violations of HMDA data collection and reporting requirements. The actions announced today represent the first time that the OCC has assessed civil money penalties for HMDA filing errors.

#

The OCC charters, regulates and supervises more than 2,600 national banks and 66 federal branches and agencies of foreign banks in the United States, accounting for 56 percent of the nation's banking assets. Its mission is to ensure a safe, sound and competitive national banking system that supports the citizens, communities and economy of the United States.