

[To be issued as a Proposal]

**TITLE 3. BANKING DIVISION  
CHAPTER I. SUPERINTENDENT'S REGULATIONS**

**PART 43. SUBPRIME HOME LOANS – MEANING OF TERMS**

(Statutory authority: Financial Services Law §302; Banking Law §6-m)

**Sec.**

**§ 43.1 Background**

**§ 43.2 Meaning of Certain Terms**

**§ 43.3 Effective Date**

**§ 43.1 Background.**

Section 6-m of the Banking Law provides for the regulation of subprime home loans as defined in the statute.

Pursuant to the authority provided by Section 302(2) of the Financial Services Law, the Superintendent of Financial Services is authorized to interpret the provisions of the Banking Law, including Section 6-m. This Part is issued pursuant to this authority, and it applies to all subprime home loans as defined in the Banking Law.

**§ 43.2 Meaning of Certain Terms.**

The following interpretations shall be used in determining whether a loan is a subprime home loan:

- a. The term “Week” referred to in the phrase the “week prior to the week in which the lender provides the ‘good faith estimate’” used in Section 6-m(1)(c) shall in all cases mean the seven-day period from Friday through Thursday, the day on which the Federal Home Loan Mortgage Corporation publishes its Primary Mortgage Market Survey (“PMMS”). Therefore, the relevant PMMS for purposes of Section 6-m(1)(c) is the one published on the Thursday prior to receiving the good faith estimate. For example, if a lender provides a good faith estimate on any day including Friday, June 14 through Thursday, June 20, the relevant PMMS is the one published on Thursday, June 13. For a good faith estimate issued on Friday, June 21 through Thursday, June 27, the relevant PMMS is the one published on Thursday, June 20.
- b. The term “Good Faith Estimate” referred to in the phrase “‘good faith estimate’ required under 12 USC §2601 et seq.” used in Section 6-m(1)(c) shall in all cases mean the good faith estimate used to establish the terms of the mortgage loan. This shall be the revised good faith estimate if one has been issued.

c. The term “Commitment” referred to in the phrase “the time the lender issues its commitment” used in Section 6-m(1)(b) shall in all cases where a commitment is not issued by the lender mean the “Good Faith Estimate”.

**§ 43.3 Effective Date.**

This part shall be effective upon adoption.