12 CFR Part 226
Advertising, Appraisal, Appraiser, Consumer protection, Credit, Federal Reserve System, Mortgages, Reporting and recordkeeping requirements, Savings associations, Truth in lending.

Section 226.43—Appraisals for Higher-Risk Mortgage Loans

3. In Supplement I to part 226, under Section 226.43—Appraisals for Higher-Risk Mortgage Loans, paragraph 43(b)(2), paragraph 43(b)(2)–1.iii is added to read as follows:

Supplement I to Part 213—Official Staff Interpretations

* * * * *

Subpart F—Appraisals for Higher-Priced Mortgage Loans

5. In Supplement I to part 1026, under Section 1026.35—Requirements for Higher-Priced Mortgage Loans, under paragraph 35(c)(2)(ii), paragraph 35(c)(2)(ii)–1.iii is added to read as follows:

Supplement I to Part 1026—Official Staff Interpretations

* * * * *

Subpart G—Appraisals for Higher-Priced Mortgage Loans

1. Threshold Amount. * * *

iii. From January 1, 2016, through December 31, 2016, the threshold amount is $25,500.

* * * * *

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Authority and Issuance

For the reasons set forth in the preamble, the Board amends Regulation Z, 12 CFR part 226, as set forth below:

PART 226—TRUTH IN LENDING (REGULATION Z)

3. The authority citation for part 226 continues to read as follows:


4. In Supplement I to part 226, under Section 226.43—Appraisals for Higher-Risk Mortgage Loans, under paragraph 43(b)(2), paragraph 43(b)(2)–1.iii is added to read as follows:

Supplement I to Part 226—Official Staff Interpretations

* * * * *

Subpart E—Special Rules for Certain Home Mortgage Transactions

* * * * *

Section 1026.35—Requirements for Higher-Priced Mortgage Loans

* * * * *

35(c) Appraisals

* * * * *

35(c)(2) Exemptions

* * * * *

Paragraph 35(c)(2)(ii)

1. * * *

iii. From January 1, 2016, through December 31, 2016, the threshold amount is $25,500.

* * * * *

Dated: November 19, 2015.

Amy Cordray,
Senior Deputy Comptroller and Chief Counsel.

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority, November 18, 2015.

Robert deV. Frierson,
Secretary of the Board.

Dated: October 8, 2015.

Richard Cordray,
Director, Bureau of Consumer Financial Protection.

[FR Doc. 2015–30097 Filed 11–25–15; 8:45 am]

BILLING CODE 4810–33–P; 6210–01–P; 4810–AM–P

FEDERAL RESERVE SYSTEM

12 CFR Part 213

[Docket No. R–1519]

RIN 7100 AE–35

BUREAU OF CONSUMER FINANCIAL PROTECTION

12 CFR Part 1013

RIN 3170–AA06

Consumer Leasing (Regulation M)

AGENCIES: Board of Governors of the Federal Reserve System (Board); and Bureau of Consumer Financial Protection (Bureau).
I. Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) increased the threshold in the Consumer Leasing Act (CLA). The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amended the CLA by requiring that the dollar threshold for exempt consumer leases be adjusted annually by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W). If there is no annual percentage increase in the CPI–W, the exemption threshold will remain at $54,600 through December 31, 2016.

Because the Dodd-Frank Act also requires similar adjustments in the Truth in Lending Act’s threshold for exempt consumer credit transactions, the Board and the Bureau are making similar amendments to each of their respective regulations implementing the Truth in Lending Act elsewhere in this issue of the Federal Register.

DATES: This final rule is effective January 1, 2016.


SUPPLEMENTARY INFORMATION:

III. Administrative Law Matters

Administrative Procedure Act

Under the Administrative Procedure Act, notice and opportunity for public comment are not required if the Board and the Bureau find that notice and public comment are impracticable, unnecessary, or contrary to the public interest.7 The amendment in this notice is technical and applies the method previously set forth in the Board Final Threshold Rules.8 For these reasons, the Board and the Bureau have determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. Therefore, the amendments are adopted in final form.

Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) does not apply to a rulemaking where a

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2 Title X of the Dodd-Frank Act transferred rulemaking authority for a number of consumer financial protection laws from the Board to the Bureau, effective July 21, 2011. In connection with this transfer of rulemaking authority, the Bureau issued its own Regulation M implementing the CLA in an interim final rule, 12 CFR part 1013 (Bureau Interim Final Rule).3 The Bureau Interim Final Rule essentially duplicated the Board’s Regulation M, including the revisions to the threshold for exempt transactions made by the Board in April 2011. Although the Bureau has the authority to issue rules to implement the CLA for most entities, the Board retains authority to issue rules under the CLA for certain motor vehicle dealers covered by section 1029(a) of the Dodd-Frank Act, and the Board’s Regulation M continues to apply to those entities.4 Section 213.2(e)(1) of the Board’s Regulation M and §1013.2(e)(1) of the Bureau’s Regulation M, and their accompanying commentaries, provide that the exemption threshold will be adjusted annually effective January 1 of each year based on any annual percentage increase in the CPI–W that was in effect on the preceding June 1. Any increase in the threshold amount will be rounded to the nearest $100 increment. For example, if the annual percentage increase in the CPI–W would result in a $950 increase in the threshold amount, the threshold amount will be increased by $1,000. However, if the annual percentage increase in the CPI–W would result in a $949 increase in the threshold amount, the threshold amount will be increased by $900.5 As stated in the Board Final Threshold Rules, if there is no annual percentage increase in the CPI–W, the Board and Bureau will not adjust the exemption threshold from the prior year.6

3 76 FR 18349 (Apr. 4, 2011); 76 FR 18354 (Apr. 4, 2011).
5 See comments 2(e)–9 in Supplements I of 12 CFR part 213 and 12 CFR part 1013.
6 76 FR 18354, 18355 n.1 (Apr. 4, 2011) (“An annual period of deflation or no inflation would not require a change in the threshold amount.”).
7 The amendment in this notice is technical and applies the method previously set forth in the Board Final Threshold Rules.8 For these reasons, the Board and the Bureau have determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. Therefore, the amendments are adopted in final form.
general notice of proposed rulemaking is not required. As noted previously, the agencies have determined that it is unnecessary to publish a general notice of proposed rulemaking for this joint final rule. Accordingly, the RFA’s requirements relating to an initial and final regulatory flexibility analysis do not apply.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, the agencies reviewed this final rule. No collections of information pursuant to the Paperwork Reduction Act are contained in the final rule.

List of Subjects
12 CFR Part 213
Advertising, Consumer leasing, Consumer protection, Federal Reserve System, Reporting and recordkeeping requirements.

12 CFR Part 1013
Advertising, Consumer leasing, Reporting and recordkeeping requirements.

Board of Governors of the Federal Reserve System

Text of Final Revisions

For the reasons set forth in the preamble, the Board amends Regulation M, 12 CFR part 213, as set forth below:

PART 213—CONSUMER LEASING (REGULATION M)

§ 213.1 Authority citation for part 213 continues to read as follows:


§ 213.2 Definitions

2. The authority citation for part 213, under Section 213.2—Definitions, under 2(e) Consumer Lease, paragraph 9.vii is added to read as follows:

Supplement I to Part 213—Official Interpretations

* * * * *

Section 213.2—Definitions

* * * * *
2(e) Consumer Lease. * * *
9. * * *
  vii. From January 1, 2016 through December 31, 2016, the threshold amount is $54,600.
  * * * *

By order of the Board of Governors of the Federal Reserve System, November 18, 2015.

Robert deV. Fierson, Secretary of the Board.

Dated: September 22, 2015.

Richard Cordray, Director, Bureau of Consumer Financial Protection.

[FR Doc. 2015–30071 Filed 11–25–15; 8:45 am]
BILLING CODE 4810–AM–P; 6210–01–P

FEDERAL RESERVE SYSTEM

12 CFR Part 226
[Docket No. R–1520]

RIN 7100 AE–36

BUreau of Consumer financial protection

12 CFR Part 1026

Truth in Lending (Regulation Z)

AGENCIES: Board of Governors of the Federal Reserve System (Board); and Bureau of Consumer Financial Protection (Bureau).

ACTION: Final rules, official interpretations and commentary.

SUMMARY: The Board and the Bureau are publishing final rules amending the official interpretations and commentary for the agencies’ regulations that implement the Truth in Lending Act (TILA). The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amended TILA by requiring that the dollar threshold for exempt consumer credit transactions be adjusted annually by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W). If there is no annual percentage increase in the CPI–W, the Board and Bureau will not adjust this exemption threshold from the prior year. Based on the annual percentage decrease in the CPI–W as of June 1, 2015, the exemption threshold will remain at $54,600 through December 31, 2016.

Because the Dodd-Frank Act also requires similar adjustments in the Consumer Leasing Act’s threshold for exempt consumer leases, the Board and the Bureau are making similar amendments to each of their respective regulations implementing the Consumer Leasing Act elsewhere in this issue of the Federal Register.

DATES: This final rule is effective January 1, 2016.

FOR FURTHER INFORMATION CONTACT: Board: Vivian W. Wong, Counsel, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, at (202) 452–3667; for users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263–4869.


SUPPLEMENTARY INFORMATION:

I. Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) increased the threshold in the Truth in Lending Act (TILA) for exempt consumer credit transactions from $25,000 to $50,000, effective July 21, 2011. In addition, the Dodd-Frank Act requires that this threshold be adjusted annually for inflation by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W), as published by the Bureau of Labor Statistics. In April 2011, the Board issued a final rule amending Regulation Z (which implements TILA) consistent with the

For the agencies’ regulations that implement the Truth in Lending Act (TILA). The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amended TILA by requiring that the dollar threshold for exempt consumer credit transactions be adjusted annually by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W). If there is no annual percentage increase in the CPI–W, the Board and Bureau will not adjust this exemption threshold from the prior year. Based on the annual percentage decrease in the CPI–W as of June 1, 2015, the exemption threshold will remain at $54,600 through December 31, 2016.

Because the Dodd-Frank Act also requires similar adjustments in the Consumer Leasing Act’s threshold for exempt consumer leases, the Board and the Bureau are making similar amendments to each of their respective regulations implementing the Consumer Leasing Act elsewhere in this issue of the Federal Register.

DATES: This final rule is effective January 1, 2016.

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SUPPLEMENTARY INFORMATION:

I. Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) increased the threshold in the Truth in Lending Act (TILA) for exempt consumer credit transactions from $25,000 to $50,000, effective July 21, 2011. In addition, the Dodd-Frank Act requires that this threshold be adjusted annually for inflation by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W), as published by the Bureau of Labor Statistics. In April 2011, the Board issued a final rule amending Regulation Z (which implements TILA) consistent