

FEDERAL RESERVE BANK OF DALLAS
DALLAS, TEXAS 75222

Circular No. 70-112
May 11, 1970

TRUTH IN LENDING EXEMPTION FOR
CERTAIN TRANSACTIONS IN OKLAHOMA

To All Banks, Other Creditors, and Others Concerned
in the Eleventh Federal Reserve District:

The following is a press release of the Board of Governors of
the Federal Reserve System issued on May 8, 1970:

"The Board of Governors of the Federal Reserve System announced today that it has exempted certain credit transactions in Oklahoma from the disclosure and rescission provisions of the Federal Truth in Lending Act, effective June 1. Oklahoma law, which is substantially similar in these provisions to the Federal statute, will apply to all classes of credit transactions within that State, except for the following:

"1. Transactions in which a federally chartered institution--such as a federal credit union, federal savings and loan association, or national bank--is a creditor.

"2. Consumer credit sales of insurance by an insurer.

"3. Transactions under common carrier tariffs in which the charges for the services involved, the charge for delayed payment and any discount allowed for early payment are regulated by a subdivision or agency of the United States or the State of Oklahoma.

"4. Transactions in which a licensed pawnbroker is a creditor.

"Section 123 of the Truth in Lending Act provides that the Board shall exempt from the disclosure and rescission requirements of the Act any class of transactions within a State if the State law provides requirements substantially similar to those imposed by the Federal law, and there is adequate provision for enforcement.

"In making its determination, the Board considered only that part of the Oklahoma statute that relates to disclosure and rescission. The Uniform Consumer Credit Code, which

Oklahoma adopted, goes beyond these fields and, accordingly, the action taken by the Board cannot be construed as an endorsement of that Code.

"The Board earlier granted an exemption to Maine for all classes of credit transactions except those in which a federally chartered institution is a creditor. Pending applications have been received from Connecticut, Massachusetts, Utah and Virginia."

The Oklahoma exemption is embodied in an amendment of Supplement III to Regulation Z. Copies of Supplement III, which contains the earlier Maine exemption, several procedural matters dealing with state law exemptions, and the amendment granting the Oklahoma exemption, are available on request to the Regulations Department of this Bank.

Yours very truly,

P. E. Coldwell

President