



American Revolution Bicentennial

# FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 76-2  
January 9, 1976

## INTERPRETATION OF REGULATION B

### EQUAL CREDIT OPPORTUNITY ACT

Student Loan Programs Administered by the  
Department of Health, Education, and Welfare (HEW)

TO ALL BANKS  
AND OTHERS CONCERNED IN THE  
ELEVENTH FEDERAL RESERVE DISTRICT:

On December 22, 1975, the Board of Governors of the Federal Reserve System issued a clarifying interpretation of Regulation B, the Equal Credit Opportunity Act, making it clear that banks in Pennsylvania may continue to make federally guaranteed loans to married students in compliance with state regulations. These regulations required that the signature of both spouses be obtained in connection with loans guaranteed under programs administered by HEW.

Effective January 31, 1976, Regulation B will prohibit making a general practice of requiring the signature of both spouses on such credit arrangements.

Printed on the reverse of this circular is a copy of the interpretation. If you have any questions regarding Regulation B, please contact this Bank's Regulations Department at (214) 651-6169 or 651-6269.

Additional copies of this interpretation of Regulation B will be furnished upon request to the Secretary's Office of this Bank.

Sincerely yours,  
T. W. Plant  
First Vice President

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

EQUAL CREDIT OPPORTUNITY

INTERPRETATION OF REGULATION B

SECTION 202.701 — OBTAINING THE  
SIGNATURE OF A SPOUSE PRIOR  
TO JANUARY 31, 1976

Section 202.7(a) of this Part which becomes effective on January 31, 1976, provides, with certain exceptions not applicable to the present question, that

\* \* \* a creditor may not require the signature of a spouse or other person on a credit instrument unless such a requirement is imposed without regard to sex or marital status on all similarly qualified applicants who apply for a similar type and amount of credit.

Regulations of certain states require that the signature of both spouses be obtained in connection with credit guaranteed under student loan programs administered by the Department of Health, Education, and Welfare. It appears that it may not be possible effectively to amend these regulations in order to eliminate this requirement

until the end of January 1976. Therefore, a question has arisen whether creditors extending credit in connection with such programs may continue until January 31, 1976 to obtain the signatures of both spouses upon instruments connected with the loan.

In deferring the effective date of section 202.7(a), the Board of Governors explained that it had done so because public comment on the regulations as proposed for comment on September 10, 1975 (40 FR 42030) "stated that creditors would need a few months to adapt their application procedures and re-train their employees as to the situations in which a creditor may request or require the signature of a spouse or other person." Accordingly, in extending credit prior to January 31, 1976, in connection with student loan programs administered by the Department of Health, Education, and Welfare a creditor may continue to require the signature of both spouses upon instruments connected with the loan.