



FEDERAL RESERVE BANK
OF DALLAS

WILLIAM H. WALLACE
FIRST VICE PRESIDENT

September 12, 1986

DALLAS, TEXAS 75222

Circular 86-82

TO: All member banks and others concerned
in the Eleventh Federal Reserve District

SUBJECT

Consumer Advisory Council Meeting

DETAILS

The Board of Governors of the Federal Reserve System has announced that its Consumer Advisory Council will meet at 9:00 a.m. on October 8 and 9, in sessions open to the public, in Terrace Room E of the Board's Martin Building. Time permitting, the Council plans to discuss the following topics:

- 1986 Survey of Consumer Finances
- APR Demonstration Project
- Responses to Branch Closings
- Committee Report on Delayed Funds Availability
- Consumer Education
- Board's Proposal to Amend Regulation E's Periodic Statement Requirement
- Smart Card Technology
- Committee Report on Community Reinvestment Act
- Committee Report on Changes in Financial Organization
- Board's Proposal to Amend Regulation Z's Rules on Right of Rescission
- Rise in Second Rate Mortgages
- Proposal for Uniform Disclosure on Adjustable Rate Mortgages

Persons wishing to submit their views regarding any of the topics may do so by sending written statements to Ms. Ann Marie Bray, Secretary, Consumer Advisory Council, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Comments must be received no later than October 1, 1986.

ATTACHMENTS

The Board's document as submitted for publication in the Federal Register is attached.

MORE INFORMATION

For further information, please contact this Bank's Legal Department at (214) 651-6228.

Sincerely yours,

William H. Wallace

FEDERAL RESERVE SYSTEM
CONSUMER ADVISORY COUNCIL

Notice of Meeting of Consumer Advisory Council

The Consumer Advisory Council will meet on Wednesday, October 8, and Thursday, October 9. The meeting, which will be open to public observation, will take place in Terrace Room E of the Martin Building. The October 8 session is expected to begin at 9:00 a.m. and to continue until 5:00 p.m., with a lunch break from 1:00 to 2:00 p.m. The October 9 session is expected to begin at 9:00 a.m. and to continue until 1:00 p.m. The Martin Building is on C Street, Northwest, between 20th and 21st Streets in Washington, D.C.

The Council's function is to advise the Board on the exercise of the Board's responsibilities under the Consumer Credit Protection Act and on other matters on which the Board seeks its advice. Time permitting, the Council will discuss the following topics:

1. 1986 Survey of Consumer Finances: Preliminary report by Board staff on a Board-sponsored 1986 nationwide survey of consumer finances.
2. APR Demonstration Project: Briefing by Board staff on the results of a congressionally mandated demonstration project involving the publication and distribution of shoppers guides to credit in three local market areas.
3. Responses to Branch Closings: Update on branch closings by commercial banks and on the assessment of closings by Federal Reserve examiners; and discussion (led by a Council planning group) of (1) the banks' perspective and recent industry efforts to help bankers manage more effectively the impact of a branch closing on the community, and (2) possible responses to branch closings (including neighborhood-based alternative strategies) by community groups.
4. Delayed Funds Availability: Report by the Council's Ad Hoc Committee on Service Charges on the area of delayed funds availability; and update by Board staff on data collected

by Federal Reserve examiners concerning state member banks' responses to the joint policy statement of the Federal Home Loan Bank Board, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and the Federal Reserve Board encouraging financial institutions to refrain from imposing unnecessary delays in making funds available to depositors.

5. Consumer Education: Report from the Council's Committee on Consumer Education; and briefing by Board staff on the scope of the Federal Reserve's consumer education efforts through various media.
6. Emerging Technologies: (1) Educational presentation by the Council's Ad Hoc Committee on Emerging Technologies on the smart card technology (tentative); (2) Discussion of a proposed amendment to Regulation E (Electronic Fund Transfers) that would eliminate periodic statement disclosure requirements for the issuer of a debit card (or other access device for making EFTs) when the issuer does not hold the consumer's account.
7. Community Reinvestment Act (CRA): Report from the Council's Ad Hoc Committee on the Community Reinvestment Act on its efforts in exploring how Federal Reserve examiners evaluate various CRA activities by banks.
8. Changes in Financial Organization: Report from the Council's Ad Hoc Committee on Changes in Financial Organization on issues targeted for further committee study in the area of expanded powers for financial institutions.
9. Regulation Z - Right of Rescission: Discussion of the Board's proposal to exempt certain refinancings from the Truth-in-Lending right of rescission.
10. Rise in Second Mortgage Consumer Debt: Discussion of the rise in second mortgage consumer debt and of the various purposes for which such debt is primarily used.
11. Adjustable Rate Mortgages (ARMs): Discussion of the Federal Financial Institutions Examination Council's recommendation that the Federal Reserve Board, Federal Home Loan Bank Board, and the Office of the Comptroller of the Currency adopt uniform disclosures for adjustable rate mortgages.

Other matters previously considered by the Council or initiated by Council members may also be discussed.

Persons wishing to submit to the Council their views regarding any of the above topics may do so by sending written statements to Ms. Ann Marie Bray, Secretary, Consumer Advisory Council, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Comments must be received no later than close of business Wednesday, October 1, and must be of a quality suitable for reproduction.

Information with regard to this meeting may be obtained from Ms. Bedelia Calhoun, Staff Specialist, at (202) 452-3305; for Telecommunications Device for the Deaf (TDD) users, Earnestine Hill or Dorothea Thompson (202) 452-3544; Board of Governors of the Federal Reserve System, Washington D.C. 20551.

Board of Governors of the Federal Reserve System, September 2, 1986.

(signed) James McAfee
James McAfee
Associate Secretary to the Board