



FEDERAL RESERVE BANK
OF DALLAS

March 28, 1990

DALLAS, TEXAS 75222

WILLIAM H. WALLACE
FIRST VICE PRESIDENT
AND CHIEF OPERATING OFFICER

Circular 90-14

TO: The Chief Executive Officer of all
member banks and others concerned in
the Eleventh Federal Reserve District

SUBJECT

Comments on Proposed Revisions to Regulation Z

DETAILS

The Federal Reserve Board has requested public comment on whether to delete or revise Regulation Z, Truth in Lending, provisions allowing creditors to freeze the credit line when the rate cap on a home equity line is reached. The Board has also issued for comment proposed amendments to the timing rule for providing disclosures about any repayment phase provided for in an agreement for open-end credit secured by the consumer's dwelling. Comment is requested by April 20, 1990.

Although the final amendments to Regulation Z were recently adopted, questions about the rate cap provision and the timing of disclosures have been raised in recent litigation.

Copies of the Board's notice may be obtained by contacting the Public Affairs Department at (214) 651-6289.

MORE INFORMATION

For more information, please contact Jane Anne Schmoker at (214) 651-6228. For additional copies of this circular, please contact the Public Affairs Department at (214) 651-6289.

Sincerely yours,

A handwritten signature in cursive script that reads "William H. Wallace".

FEDERAL RESERVE press release



For immediate release

March 19, 1990

The Federal Reserve Board today requested comment on whether it should delete or revise a provision in Regulation Z, Truth in Lending, that permits creditors to freeze the credit line when the rate cap on a home equity line of credit is reached. The Board also requests comment on the timing of providing disclosures to consumers regarding the repayment phase in an agreement.

Comment on these two provisions in Regulation Z is requested by April 20, 1990.

A copy of the Board's notice is attached.

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Attachment