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PRESIDENT
AND CHIEF EXECUTIVE OFFICER

FEDERAL RESERVE BANK
OF DALLAS

July 17, 1991

DALLAS, TEXAS

Notice 91-60

TO: The Chief Executive Officer of
each financial institution in the
Eleventh Federal Reserve District

SUBJECT

**Amendments to the Official Staff Commentary
on Regulation B
(Equal Credit Opportunity)**

DETAILS

The Board of Governors of the Federal Reserve System has published amendments in slip-sheet form to the Official Staff Commentary on Regulation B, effective April 1991. The new slip sheet should be inserted in your Regulations binder.

ATTACHMENT

The new slip sheet is printed on the reverse of this notice.

MORE INFORMATION

For more information, please contact Dean Pankonien at (214) 651-6228. For additional copies of this Bank's notice and the slip sheet, please contact the Public Affairs Department at (214) 651-6289.

Sincerely yours,

Robert D. McTeer, Jr.

For additional copies, bankers and others are encouraged to use one of the following toll-free numbers in contacting the Federal Reserve Bank of Dallas: Dallas Office (800) 333-4460; El Paso Branch *Intrastate* (800) 592-1631, *Interstate* (800) 351-1012; Houston Branch *Intrastate* (800) 392-4162, *Interstate* (800) 221-0363; San Antonio Branch *Intrastate* (800) 292-5810.

Amendments to the Official Staff Commentary on Regulation B, Equal Credit Opportunity April 1991*

1. *Effective April 1, 1991, comment 2(c)(2)(ii)-2 is added to read as follows:*

2. *Current delinquency or default.* The term "adverse action" does not include a creditor's termination of an account when the accountholder is currently in default or delinquent on that account. Notification in accordance with section 202.9 of the regulation generally is required, however, if the creditor's action is based on a past delinquency or default on the account.

2. *Effective April 1, 1991, comment 11(a)-2 is added to read as follows:*

2. *Preemption determination—Ohio.* Effec-

tive July 23, 1990, the Board has determined that the following provision in the state law of Ohio is preempted by the federal law:

- Section 4112.021(B)(1)—Unlawful discriminatory practices in credit transactions. This provision is preempted to the extent that it bars asking or favorably considering the age of an elderly applicant; prohibits the consideration of age in a credit scoring system; permits without limitation the consideration of age in real estate transactions; and limits the consideration of age in special-purpose credit programs to certain government-sponsored programs identified in the state law.

* The complete commentary, as amended effective April 1, 1991, consists of—

- the pamphlet dated May 1990 (see inside cover) and
- this slip sheet.