



FEDERAL RESERVE BANK  
OF DALLAS

DALLAS, TEXAS  
75265-5906

December 7, 1999

**Notice 99-104**

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

**SUBJECT**

**Adjustment of the Dollar Amount that  
Triggers Regulation Z**

**DETAILS**

The Board of Governors of the Federal Reserve System has published an adjustment to the dollar amount that triggers Regulation Z (*Truth in Lending*) requirements for certain mortgages bearing fees above a certain amount. The Home Ownership and Equity Protection Act of 1994 sets forth rules for home-secured loans in which the total points and fees payable by the consumer at or before loan consummation exceed the greater of \$400 or 8 percent of the total loan amount.

The Board has annually adjusted the \$400 amount based on the annual percentage change reflected in the Consumer Price Index that is in effect on June 1. Effective January 1, 2000, the amount will be adjusted to \$451.

**ATTACHMENT**

A copy of the Board's notice as it appears on page 60335, Vol. 64, No. 214 of the *Federal Register* dated November 5, 1999, is attached.

**MORE INFORMATION**

For more information, please contact Eugene Coy, (214) 922-6201, in the Banking Supervision Department. For additional copies of this Bank's notice, contact the Public Affairs Department at (214) 922-5254.

“Bifenthrin,” by removing the phrase “for wetttable powder it is 50 ppm” in the last sentence of the first paragraph and adding in its place the phrase “for wetttable powder it is 25 ppm”.

Done in Washington, DC, this 1st day of November 1999.

**Bobby R. Acord,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 99-29046 Filed 11-4-99; 8:45 am]

BILLING CODE 3410-34-U

## FEDERAL RESERVE SYSTEM

### 12 CFR Part 226

[Regulation Z; Docket No. R-1051]

#### Truth in Lending

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Notice of adjustment of dollar amount.

**SUMMARY:** The Board is publishing an adjustment to the dollar amount that triggers Regulation Z (Truth in Lending) requirements for certain mortgages bearing fees above a certain amount. The Home Ownership and Equity Protection Act of 1994 sets forth rules for home-secured loans in which the total points and fees payable by the consumer at or before loan consummation exceed the greater of \$400 or 8 percent of the total loan amount. The Board has annually adjusted the \$400 amount based on the annual percentage change reflected in the Consumer Price Index that is in effect on June 1. The adjustment for 2000 is \$451.

**EFFECTIVE DATE:** January 1, 2000.

**FOR FURTHER INFORMATION CONTACT:** Michael Hentrel, Staff Attorney, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, at (202) 452-3667. For the users of Telecommunications Device for the Deaf *only*, please contact Diane Jenkins at (202) 452-3544.

#### SUPPLEMENTARY INFORMATION:

##### Background

The Truth in Lending Act (TILA; 15 U.S.C. 1601-1666j) requires creditors to disclose credit terms and the cost of consumer credit as an annual percentage rate. The act requires additional disclosures for loans secured by a consumer's home, and permits consumers to cancel certain transactions that involve their principal dwelling. TILA is implemented by the Board's Regulation Z (12 CFR part 226).

On March 24, 1995, the Board published amendments to Regulation Z implementing the Home Ownership and Equity Protection Act of 1994 (HOEPA), contained in the Riegle Community Development and Regulatory Improvement Act of 1994, Pub. L. 103-325, 108 Stat. 2160 (60 FR 15463). These amendments, which became effective on October 1, 1995, are contained in § 226.32 of the regulation and impose additional disclosure requirements and substantive limitations on certain closed-end mortgage loans bearing rates or fees above a certain percentage or amount. As enacted, the statute requires creditors to comply with the HOEPA rules if the total points and fees payable by the consumer at or before loan consummation exceed the greater of \$400 or 8 percent of the total loan amount. TILA and Regulation Z provide that the \$400 figure shall be adjusted annually on January 1 by the annual percentage change in the Consumer Price Index (CPI) that was reported on the preceding June 1. (15 U.S.C. 1602(aa)(3) and 12 CFR 226.32(a)(1)(ii)). The Board adjusted the \$400 amount to \$441 for 1999.

The Bureau of Labor Statistics publishes consumer-based indices monthly, but does not “report” a CPI change on June 1; adjustments are reported in the middle of each month. The Board uses the CPI-U index, which is based on all urban consumers and represents approximately 80 percent of the U.S. population, as the index for adjusting the \$400 dollar figure. The adjustment to the CPI-U index reported by the Bureau of Labor Statistics on May 15, 1999, was the CPI-U index “in effect” on June 1, and reflects the percentage increase from April 1998 to April 1999. The adjustment to the \$400 figure below reflects a 2.3 percent increase in the CPI-U index for this period and is rounded to whole dollars for ease of compliance.

#### Adjustment

For the reasons set forth in the preamble, for purposes of determining whether a mortgage transaction is covered by 12 CFR 226.32 (based on the total points and fees payable by the consumer at or before loan consummation), a loan is covered if the points and fees exceed the greater of \$451 or 8 percent of the total loan amount, effective January 1, 2000.

By order of the Board of Governors of the Federal Reserve System, acting through the

Secretary of the Board under delegated authority, November 1, 1999.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 99-29003 Filed 11-4-99; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 34

[Docket No. FAA-1999-5018; Amendment No. 34-3]

RIN 2120-AG68

#### Emission Standards for Turbine Engine Powered Airplanes; Correction

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule; correction.

**SUMMARY:** This document corrects a final rule published in the **Federal Register** of February 3, 1999 (64 FR 5556). That document revised emission standards for turbine engine-powered airplanes by incorporating the current standards of the International Civil Aviation Organization (ICAO) to bring the United States emissions standards into alignment with those of ICAO. This document corrects references to appendices and the effective dates of ICAO-referenced standards.

**EFFECTIVE DATE:** November 5, 1999.

**FOR FURTHER INFORMATION CONTACT:** Edward McQueen, telephone (202) 267-3560.

#### Correction

In the final rule FR Doc. 99-1608, published in the **Federal Register** of February 3, 1999 (64 FR 5556), make the following corrections:

1. On page 5557, in the first column, under Section 34.71, sixth line, correct “Appendices 3 and 5 of this document specify the system and procedures for sampling and measurement of gaseous emissions” to read “Appendix 6 of this document specifies the compliance procedure for gaseous emissions and smoke.”

2. On page 5557, in the first column, under Section 34.82, sixth line, correct “Appendices 3 and 5 of this document specify the system and procedures for sampling and measurement of smoke emissions” to read “Appendix 2 of this document specifies the system and procedures for sampling and measurement of smoke emissions.”

3. On page 557, in the first column, under Section 34.89, sixth line, correct “Appendices 3 and 5 of this document