

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 7851 ]  
April 5, 1976

MODIFICATION OF EQUAL CREDIT OPPORTUNITY NOTICE

Interpretation of Regulation B

*To All Member Banks, and Others Concerned,  
in the Second Federal Reserve District:*

The Board of Governors of the Federal Reserve System has issued an interpretation of its Regulation B, "Equal Credit Opportunity." The following is quoted from the Board of Governors statement announcing the interpretation:

The Board of Governors of the Federal Reserve System today [March 23, 1976] published an interpretation of its regulation under the Equal Credit Opportunity Act.

The interpretation permits creditors to modify a prescribed general notice of rights under the Act with a reference to a similar State law and the name and address of the relevant State enforcement agency. The interpretation includes an example of the form the modified notice might take.

Ohio and Utah currently have laws prohibiting discrimination in credit transactions similar to the Federal statute, and other states intend to adopt such equal credit opportunity laws.

In submitting the interpretation for publication in the *Federal Register*, the Board made the following additional statement:

Section 202.4(d) of Regulation B requires creditors to print an Equal Credit Opportunity Act notice on their application forms or to provide this notice on a separate sheet of paper mailed or delivered to applicants. The purpose of this requirement is to alert the public to the existence of the Act.

The Board has been asked whether section 202.4(d) may be interpreted to permit creditors to alter or add to the notice required by Regulation B in order to comply with requirements imposed under State Equal Credit laws. The Board believes that combining the notices required by State and Federal Equal Credit laws is a practical and economical approach. The Board does not believe that combining these notices will affect the educational value of the notice required by Regulation B. The interpretation states that where State law or regulation requires creditors in those States to refer to a State Equal Credit law and/or a State enforcement agency, creditors may modify and/or add to the notice which appears in section 202.4(d)(1) of Regulation B for the purpose of complying with State requirements.

Enclosed is a copy of the interpretation to Regulation B. Inquiries thereon may be directed to our Bank Regulations Department. Additional copies of the enclosure will be furnished upon request.

PAUL A. VOLCKER,  
*President.*

# Board of Governors of the Federal Reserve System

## EQUAL CREDIT OPPORTUNITY

### INTERPRETATION OF REGULATION B

#### Title 12—Banks and Banking

#### CHAPTER II—FEDERAL RESERVE SYSTEM

#### Subchapter A—Board of Governors of the Federal Reserve System

[Reg. B]

#### PART 202—EQUAL CREDIT OPPORTUNITY

#### § 202.001—Modification of Equal Credit Opportunity Act Notice pursuant to State law.

(a) Section 202.4(d)(1) requires creditors to provide applicants with a notice explaining the Act's general rule prohibiting discrimination in credit on the basis of sex or marital status. This notice contains a specific reference to the "Federal Equal Credit Opportunity Act" and to the "Federal agency" responsible for enforcing the Act.

(b) Certain States have adopted, or intend to adopt, statutes prohibiting discrimination in credit that are similar to the Federal law. In some cases, State law or regulation requires that creditors provide applicants with a notice

regarding a State Equal Credit law. The Board has been asked whether the statement prescribed by section 202.4(d)(1) may be modified to include a reference to a State law and enforcement agency immediately following the reference to the Federal law and agency.

(c) In these circumstances, a creditor may add to or modify the notice prescribed in section 202.4(d)(1) to refer to the relevant State law and/or to provide the name and address of the appropriate State enforcement agency. This modification may take the following form:

The Federal Equal Credit Opportunity Act and the (*insert the name of the State law*) prohibit creditors from discriminating against credit applicants on the basis of sex or marital status. The Federal agency which administers compliance with the Federal Act concerning this (*insert appropriate description—bank, store, etc.*) is (*name and address of the appropriate Federal agency*). The State agency which administers compliance with the State law is (*insert name of the State agency*).

(Interprets and applies 12 C.F.R. 202.4(d))

By order of the Board of Governors, March 22, 1976.