

“Selected Interest Rates” (statistical release H-15). The H-15 is published daily and is posted on the Board’s Internet Web site at <http://www.federalreserve.gov/releases/h15>.

The proposed comment also clarified that for purposes of HOEPA’s rate-based trigger, creditors should compare the APR on 30-year loans (and other loans of 20 or more years) with the yield reported on the H-15 for a 20-year constant maturity. The Department of the Treasury recently ceased auctioning 30-year securities. Creditors asked for additional guidance since the H-15 lists a 20-year constant maturity and a long-term average of the yields for Treasury securities with terms to maturity of 25 or more years, and refers to a Treasury formula for estimating a 30-year yield.

Commenters generally supported the proposed revisions as enhancing uniformity and easing compliance. However, several credit unions that commented preferred having flexibility to use any figure on the H-15 comparable to a loan’s maturity, including the Treasury formula for estimating a 30-year yield. Other commenters, while concurring with the guidance to use 20-year constant maturities to calculate the APR trigger for 30-year loans, encouraged the Board to explore alternatives and make further revisions to the commentary if more suitable alternatives become available. One commenter requested guidance on the effect of an irregular first payment period on the loan’s maturity.

The comment has been adopted substantially as proposed, with a minor revision for clarification. Requiring that all creditors use the yields on the H-15 for Treasury constant maturities should ensure uniform application of HOEPA. The final comment clarifies that for purposes of determining a loan’s maturity under HOEPA’s rate-based trigger, creditors may rely on the rules in § 226.17(c)(4). Under the rule, creditors may ignore the effect of first payment periods that are slightly longer or shorter than other scheduled payment periods.

List of Subjects in 12 CFR Part 226

Consumer protection, Disclosures, Federal Reserve System, Truth in lending.

Text of Revisions

■ Comments are numbered to comply with **Federal Register** publication rules. For the reasons set forth in the preamble, the Board amends 12 CFR part 226 as follows:

PART 226—TRUTH IN LENDING (REGULATION Z)

■ 1. The authority citation for part 226 continues to read as follows:

Authority: 12 U.S.C. 3806; 15 U.S.C. 1604 and 1637(c)(5).

■ 2. In Supplement I to Part 226:

■ a. Under *Section 226.6—Initial Disclosure Statement*, under 6(b) *Other charges*, paragraph 2. is revised.

■ b. Under *Section 226.12—Special Credit Card Provisions*, under *Paragraph 12(a)(2)*, paragraph 6. is revised.

■ c. Under *Section 226.18—Content of Disclosures*, under 18(g) *Payment schedule*, paragraph 5. is revised.

■ d. Under *Section 226.19—Certain Residential Mortgage and Variable-Rate Transactions*, under *Paragraph 19(b)(1)*, paragraph 2. is amended by removing “comment 19(b)-4” and adding “comment 19(b)-5” in its place.

■ e. Under *Section 226.32—Requirements for Certain Closed-End Home Mortgages*, under *Paragraph 32(a)(1)(i)*, paragraph 4. is revised.

Supplement I To Part 226—Official Staff Interpretations

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Subpart B—Open-End Credit

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Section 226.6—Initial Disclosure Statement

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6(b) Other charges.

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2. *Exclusions.* The following are examples of charges that are not “other charges”:

i. Fees charged for documentary evidence of transactions for income tax purposes.

ii. Amounts payable by a consumer for collection activity after default; attorney’s fees, whether or not automatically imposed; foreclosure costs; post-judgment interest rates imposed by law; and reinstatement or reissuance fees.

iii. Premiums for voluntary credit life or disability insurance, or for property insurance, that are not part of the finance charge.

iv. Application fees under § 226.4(c)(1).

v. A monthly service charge for a checking account with overdraft protection that is applied to all checking accounts, whether or not a credit feature is attached.

vi. Charges for submitting as payment a check that is later returned unpaid (see commentary to § 226.4(c)(2)).

vii. Charges imposed on a cardholder by an institution other than the card

issuer for the use of the other institution’s ATM in a shared or interchange system. (See also comment 7(b)-2.)

viii. Taxes and filing or notary fees excluded from the finance charge under § 226.4(e).

ix. A fee to expedite delivery of a credit card, either at account opening or during the life of the account, provided delivery of the card is also available by standard mail service (or other means at least as fast) without paying a fee for delivery.

x. A fee charged for arranging a single payment on the credit account, upon the consumer’s request (regardless of how frequently the consumer requests the service), if the credit plan provides that the consumer may make payments on the account by another reasonable means, such as by standard mail service, without paying a fee to the creditor.

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Section 226.12—Special Credit Card Provisions

12(a) Issuance of credit cards.

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Paragraph 12(a)(2).

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6. *One-for-one rule—exceptions.* The regulation does not prohibit the card issuer from:

i. Replacing a debit/credit card with a credit card and another card with only debit functions (or debit functions plus an associated overdraft capability), since the latter card could be issued on an unsolicited basis under Regulation E.

ii. Replacing an accepted card with more than one renewal or substitute card, provided that:

A. No replacement card accesses any account not accessed by the accepted card;

B. For terms and conditions required to be disclosed under § 226.6, all replacement cards are issued subject to the same terms and conditions, except that a creditor may vary terms for which no change in terms notice is required under § 226.9(c); and

C. Under the account’s terms the consumer’s total liability for unauthorized use with respect to the account does not increase.

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Subpart C—Closed-End Credit

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Section 226.18—Content of Disclosures

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18(g) Payment schedule.

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5. *Mortgage insurance.* The payment schedule should reflect the consumer’s