



Agency Information Collection Activities: Announcement of Board Approval under Delegated Authority and Submission to OMB

AGENCY: Board of Governors of the Federal Reserve System.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to extend for three years, with revision, the recordkeeping and disclosure requirements associated with the Truth in Lending Act (TILA), implemented by Regulation Z (FR Z; OMB No. 7100-0199). The revisions are applicable immediately.

FOR FURTHER INFORMATION CONTACT: Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829.

Office of Management and Budget (OMB) Desk Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503, or by fax to (202) 395-6974.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. The OMB inventory, as well as copies of the PRA Submission, supporting statements, and approved collection of information instrument(s) are available at <https://www.reginfo.gov/public/do/PRAMain>. These documents are also available on the Federal Reserve Board's public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears above.

Final Approval under OMB Delegated Authority of the Extension for Three Years, With Revision, of the Following Information Collection:

Report title: Recordkeeping and Disclosure Requirements Associated with

Truth in Lending (Regulation Z).¹

Agency form number: FR Z.

OMB control number: 7100-0199.

Effective Date: The revisions are effective immediately.

Frequency: Annually, on occasion.

Respondents: The FR Z panel comprises state member banks with assets of \$10 billion or less that are not affiliated with an insured depository institution with assets over \$10 billion (irrespective of the consolidated assets of any holding company); non-depository affiliates of such state member banks; and non-depository affiliates of bank holding companies that are not affiliated with an insured depository institution with assets over \$10 billion.² However, the Consumer Financial Protection Bureau (Bureau) and the Federal Trade Commission (FTC) also have administrative enforcement authority over nondepository institutions for Regulation Z.³ Accordingly, the Bureau allocates to itself half of the estimated burden to non-depository institutions, with the other half allocated to the FTC.⁴

The Board's ability to reduce regulatory burden for small entities under Regulation Z is limited because the Dodd-Frank Act transferred rule writing authority for Board-supervised institutions under Regulation Z to the Bureau. Nonetheless, the Board has taken steps to minimize burden on small entities through tailored supervision, including through a risk-focused

¹ The Truth in Lending Act (TILA) is codified at 15 U.S.C. 1601 *et seq.* Regulation Z is published by the Board at 12 CFR Part 226 and by the Consumer Financial Protection Bureau (Bureau) at 12 CFR part 1026.

² *See, e.g.*, 12 U.S.C. 5515–5516.

³ *See* 12 U.S.C. 5514–5516.

⁴ *See, e.g.*, 78 FR 6408, 6481 (January 30, 2013); 78 FR 11280, 11408 (February 15, 2013); 78 FR 79730, 80100 (December 31, 2013).

consumer compliance supervision program and an examination frequency policy that provides for lengthened time between examinations for institutions with a lower risk profile.

The Board allocates to itself all estimated burden to state member banks with assets of \$10 billion or less that are not affiliated with an insured depository institution with assets over \$10 billion.

Estimated number of respondents: Open-end (not home-secured credit): Applications and solicitations, 161; Account opening disclosures, Periodic statements, and Change-in-terms disclosures, 516; Timely settlement of estate debts policies, Timely settlement of estate debts – account information to estate administrator, and Ability to pay policies, 161; Open-End Credit – Home Equity Plans: Application disclosures, Account opening disclosures, Periodic statements, Change-in-terms disclosures, and Notices to restrict credit, 596; All Open-End Credit: Error resolution – credit cards, 161; Closed-End Credit – Non-Mortgage: Closed-end credit disclosures, 741; Closed-End Credit – Mortgage: Interest rate and payment summary and “no-guarantee-to-refinance” statement, 300; and, Loan estimate, Closing disclosure, ARM disclosures, Initial rate adjustment notice, Periodic statements, Periodic statements in bankruptcy (one time), Periodic statements in bankruptcy (ongoing), Post-consummation disclosures for successors in interest (one time), and Post-consummation disclosures for successors in interest (ongoing), 757; Open and Closed-End Mortgage: Pay off statements and Mortgage transfer disclosure, 757; Certain Home Mortgage Types: Reverse mortgage disclosures, 4; HOEPA disclosures and HOEPA receipt of certification of counseling for high-cost mortgages, 32; and Appraisals for higher-priced mortgage loans: Review and provide copy of initial appraisal, Investigate and verify requirement for additional appraisal, and Review and provide copy of additional appraisal, 674; Private Education Loans: Private student loan disclosures, 24; and Advertising Rules (all credit types): Advertising rules, 758.

Estimated average hours per response: Open-end (not home-secured credit): Applications and solicitations, 0.0014; Account opening disclosures, 0.003; Periodic statements and Change-in-

terms disclosures, 0.017; Timely settlement of estate debts policies, 0.75; Timely settlement of estate debts – account information to estate administrator, 0.003; and Ability to pay policies, 0.75; Open-End Credit – Home Equity Plans: Application disclosures, 0.003; Account opening disclosures, Periodic statements, Change-in-terms disclosures, and Notices to restrict credit, 0.017; All Open-End Credit: Error resolution – credit cards, 0.5; Closed-End Credit – Non-Mortgage: Closed-end credit disclosures, 0.017; Closed-End Credit – Mortgage: Interest rate and payment summary and “no-guarantee-to-refinance” statement, Loan estimate, and Closing disclosure, 0.017; ARM disclosures and Initial rate adjustment notice, 0.003; Periodic statements, 0.017; Periodic statements in bankruptcy (one time), 16.5; Periodic statements in bankruptcy (ongoing), 0.017; Post-consummation disclosures for successors in interest (one time), 16.5; and Post-consummation disclosures for successors in interest (ongoing), 0.17; Open and Closed-End Mortgage: Pay off statements, 0.017; and Mortgage transfer disclosure, 0.003; Certain Home Mortgage Types: Reverse mortgage disclosures, and HOEPA disclosures, 0.017; HOEPA receipt of certification of counseling for high-cost mortgages, 0.003; and Appraisals for higher-priced mortgage loans: Review and provide copy of initial appraisal, Investigate and verify requirement for additional appraisal, and Review and provide copy of additional appraisal, 0.25; Private Education Loans: Private student loan disclosures, 0.003; and Advertising Rules (all credit types): Advertising rules, 0.417.

Estimated annual burden hours: Open-end (not home-secured credit): Applications and solicitations, 89; Account opening disclosures, 853; Periodic statements, 150,343; Change-in-terms disclosures, 12,526; Timely settlement of estate debts policies, 121; Timely settlement of estate debts – account information to estate administrator, 4; and Ability to pay policies, 121; Open-End Credit – Home Equity Plans: Application disclosures, 885; Account opening disclosures, 3,445; Periodic statements, 54,105; Change-in-terms disclosures, 902; and Notices to restrict credit, 730; All Open-End Credit: Error resolution – credit cards, 1,047; Closed-End Credit – Non-Mortgage: Closed-end credit disclosures, 2,305; Closed-End Credit – Mortgage:

Interest rate and payment summary and “no-guarantee-to-refinance” statement, 128; Loan estimate, 6,756; Closing disclosure, 4,967; ARM disclosures, 34; Initial rate adjustment notice, 20; Periodic statements, 7,335; Periodic statements in bankruptcy (one time), 12,491; Periodic statements in bankruptcy (ongoing), 77; Post-consummation disclosures for successors in interest (one time), 12,491; and Post-consummation disclosures for successors in interest (ongoing), 129; Open and Closed-End Mortgage: Pay off statements, 373; and Mortgage transfer disclosure, 89; Certain Home Mortgage Types: Reverse mortgage disclosures, 8; HOEPA disclosures, 1; HOEPA receipt of certification of counseling for high-cost mortgages, 0; Appraisals for higher-priced mortgage loans: Review and provide copy of initial appraisal, 4,887; Investigate and verify requirement for additional appraisal, 4,887; and Review and provide copy of additional appraisal, 202; Private Education Loans: Private student loan disclosures, 123; and Advertising Rules (all credit types): Advertising rules, 1,580.

General description of report: The Truth in Lending Act (TILA) and Regulation Z promote the informed use of credit to consumers for personal, family, or household purposes by requiring disclosures about its terms and costs, as well as ensure that consumers are provided with timely information on the nature and costs of the residential real estate settlement process.

Legal authorization and confidentiality: The disclosure, recordkeeping, and other requirements of Regulation Z are authorized by TILA, which directs the Bureau and, for certain lenders, the Board to issue regulations implementing the statute. The obligation to respond is mandatory.

The disclosures, records, policies and procedures required by Regulation Z are not required to be submitted to the Board. To the extent such information is obtained by the Board through the examination process, they may be kept confidential under exemption 8 of the Freedom of Information Act, which protects information contained in or related to an examination of a financial institution.⁵

⁵ 5 U.S.C. 552(b)(8).

Current actions: On April 16, 2021, the Board published an initial notice in the *Federal Register* (86 FR 20156) requesting public comment for 60 days on the extension, with revision, of the FR Z. The Board proposed to revise FR Z to: (1) add burden related to disclosure requirements in rules issued by the Bureau since the Board's last Paperwork Reduction Act (PRA) submission, as well as for one information collection for which the Bureau estimates burden but the Board previously did not; (2) break out and clarify burden estimates that were previously consolidated; and (3) eliminate burden associated with certain requirements because the Bureau accounts for burden for the entire industry, or because the burden is now deemed de minimis or a part of an institution's usual and customary business practices. The comment period for this notice expired on June 15, 2021. The Board did not receive any comments. The revisions will be implemented as proposed.

Board of Governors of the Federal Reserve System, August 26, 2021.

Michele Taylor Fennell,

Deputy Associate Secretary of the Board.

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