



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

DIVISION OF CONSUMER AND
COMMUNITY AFFAIRS

CA 19-7

April 09, 2019

**TO THE OFFICERS AND MANAGERS IN CHARGE OF CONSUMER AFFAIRS
SECTIONS:**

Applicability to Community Banking Organizations: This guidance applies to institutions supervised by the Federal Reserve with total consolidated assets of \$10 billion or less.

SUBJECT: Revised Interagency Examination Procedures for Regulation Z

The Task Force on Consumer Compliance of the Federal Financial Institutions Examination Council recently developed the attached interagency examination procedures for Regulation Z – Truth in Lending (TILA). These revised examination procedures supersede the Regulation Z examination procedures transmitted with CA Letter 18-3.¹

The attached document relates to the creation of comprehensive consumer protections for prepaid accounts, published by the Consumer Financial Protection Bureau (CFPB), and effective on April 1, 2019. Those amendments revised Regulation E to expand coverage to prepaid accounts and add provisions regarding disclosures, error resolution, periodic statements, and posting of account agreements. The amendments also classified prepaid accounts that offer covered credit features as "hybrid prepaid-credit cards" subject to Regulation Z.² Interagency examination procedures for Regulation E are being published contemporaneously with this transmittal.

If you have any questions concerning this letter, please contact Dana Miller, Senior Counsel, Supervisory Policy and Outreach at (202) 452-2751. In addition, questions may be sent via the Board's public website.³

¹ CA Letter 18-3 also transmitted interagency examination procedures for Regulation X. Because CA Letter 18-3 is superseded, the Board is also contemporaneously republishing interagency examination procedures for Regulation X under separate cover. Those procedures remain unchanged.

² The procedures transmitted with this CA Letter do not incorporate: (1) amendments to Regulation Z published by the Bureau amending and clarifying the TILA-RESPA integrated disclosure rule, or (2) amendments to TILA relating to the Economic Growth, Regulatory Relief, and Consumer Protection Act, P.L. 115-174 (May 24, 2018). These amendments will be addressed in a future update to the Regulation Z procedures.

³ See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.

Sincerely,

Carol Evans
Associate Director

Attachments:

- Revised Interagency Examination Procedures for Regulation Z

Supersedes:

- CA 18-3, “Revised Interagency Examination Procedures for Regulation X and Regulation Z” (Apr. 19, 2018)