

2015, the threshold amount is \$54,600. These revisions are effective January 1, 2015.

**III. Administrative Law Matters**

*Administrative Procedure Act*

Under the Administrative Procedure Act, notice and opportunity for public comment are not required if the Board and the Bureau find that notice and public comment are impracticable, unnecessary, or contrary to the public interest.<sup>6</sup> This annual adjustment is required by statute. The amendment in this notice is technical and non-discretionary, and it applies the method previously established in the agencies' regulations for determining adjustments to the exemption threshold. For these reasons, the Board and the Bureau have determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. Therefore, the amendments are adopted in final form.

*Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA) does not apply to a rulemaking where a general notice of proposed rulemaking is not required.<sup>7</sup> As noted previously, the agencies have determined that it is unnecessary to publish a general notice of proposed rulemaking for this joint final rule. Accordingly, the RFA's requirements relating to an initial and final regulatory flexibility analysis do not apply.

*Paperwork Reduction Act*

In accordance with the Paperwork Reduction Act of 1995,<sup>8</sup> the agencies reviewed this final rule. No collections of information pursuant to the Paperwork Reduction Act are contained in the final rule.

**List of Subjects**

*12 CFR Part 213*

Advertising, Consumer leasing, Consumer protection, Federal Reserve System, Reporting and recordkeeping requirements.

*12 CFR Part 1013*

Advertising, Consumer leasing, Reporting and recordkeeping requirements.

**Board of Governors of the Federal Reserve System**

**Text of Final Revisions**

For the reasons set forth in the preamble, the Board amends Regulation M, 12 CFR part 213, as set forth below:

**PART 213—CONSUMER LEASING (REGULATION M)**

■ 1. The authority citation for part 213 is revised to read as follows:

**Authority:** 15 U.S.C. 1604 and 1667f; Pub. L. No. 111–203 section 1100E, 124 Stat. 1376.

■ 2. In Supplement I to Part 213, under *Section 213.2—Definitions*, under *2(e) Consumer Lease*, paragraph 9.vi is added to read as follows:

**Supplement I to Part 213—Official Staff Interpretations**

\* \* \* \* \*

*Section 213.2—Definitions*

\* \* \* \* \*

*2(e) Consumer lease.*

9. *Threshold amount.* \* \* \*

vi. From January 1, 2015 through December 31, 2015, the threshold amount is \$54,600.

\* \* \* \* \*

**Bureau of Consumer Financial Protection**

**Authority and Issuance**

For the reasons set forth in the preamble, the Bureau amends Regulation M, 12 CFR part 1013, as set forth below:

**PART 1013—CONSUMER LEASING (REGULATION M)**

■ 1. The authority citation for part 1013 is revised to read as follows:

**Authority:** 15 U.S.C. 1604 and 1667f; Pub. L. 111–203 section 1100E, 124 Stat. 1376.

■ 2. In Supplement I to part 1013, under *Section 1013.2—Definitions*, under *2(e) Consumer Lease*, paragraph 9.vi is added to read as follows:

**Supplement I to Part 1013—Official Interpretations**

\* \* \* \* \*

*Section 1013.2—Definitions*

\* \* \* \* \*

*2(e) Consumer Lease.* \* \* \*

9. *Threshold amount.* \* \* \*

vi. From January 1, 2015 through December 31, 2015, the threshold amount is \$54,600.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, September 8, 2014.

**Robert deV. Frierson,**  
*Secretary of the Board.*

Dated: September 3, 2014.

**Richard Cordray,**  
*Director, Bureau of Consumer Financial Protection.*

[FR Doc. 2014–21847 Filed 9–19–14; 8:45 am]

**BILLING CODE 6210–01–P; 4810–AM–P**

**FEDERAL RESERVE SYSTEM**

**12 CFR Part 226**

[Docket No. R–1494]

RIN 7100 ZA–08

**BUREAU OF CONSUMER FINANCIAL PROTECTION**

**12 CFR Part 1026**

**Truth in Lending (Regulation Z)**

**AGENCY:** Board of Governors of the Federal Reserve System (Board); and Bureau of Consumer Financial Protection (Bureau).

**ACTION:** Final rule; official interpretations and commentary.

**SUMMARY:** The Board and the Bureau are publishing final rules amending the official interpretations and commentary for the agencies' regulations that implement the Truth in Lending Act (TILA). The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amended TILA by requiring that the dollar threshold for exempt consumer credit transactions be adjusted annually by any annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W). Based on the annual percentage increase in the CPI–W as of June 1, 2014, the Board and the Bureau are adjusting the exemption threshold to \$54,600, effective January 1, 2015.

Because the Dodd-Frank Act also requires similar adjustments in the Consumer Leasing Act's threshold for exempt consumer leases, the Board and the Bureau are making similar amendments to each of their respective regulations implementing the Consumer Leasing Act in a joint rulemaking published elsewhere in this issue of the **Federal Register**.

**DATES:** This final rule is effective January 1, 2015.

**FOR FURTHER INFORMATION CONTACT:**  
*Board:* Vivian W. Wong, Counsel, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, at (202) 452–

<sup>6</sup> See 5 U.S.C. 553(b)(B).

<sup>7</sup> See 5 U.S.C. 603 and 604.

<sup>8</sup> 44 U.S.C. 3506; 5 CFR 1320.

3667; for users of Telecommunications Device for the Deaf (TDD) only, contact (202) 263-4869.

*Bureau:* David Friend, Counsel, Office of Regulations, Bureau of Consumer Financial Protection, at (202) 435-7700.

#### SUPPLEMENTARY INFORMATION:

### I. Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) increased the threshold in the Truth in Lending Act (TILA) for exempt consumer credit transactions<sup>1</sup> from \$25,000 to \$50,000, effective July 21, 2011.<sup>2</sup> In addition, the Dodd-Frank Act requires that this threshold be adjusted annually for inflation by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), as published by the Bureau of Labor Statistics. In April 2011, the Board issued a final rule amending Regulation Z (which implements TILA) consistent with these provisions of the Dodd-Frank Act.<sup>3</sup>

Title X of the Dodd-Frank Act transferred rulemaking authority for a number of consumer financial protection laws from the Board to the Bureau, effective July 21, 2011. In connection with this transfer of rulemaking authority, the Bureau issued its own Regulation Z implementing TILA in an interim final rule, 12 CFR part 1026 (Bureau Interim Final Rule).<sup>4</sup> The Bureau Interim Final Rule substantially duplicated the Board's Regulation Z, including the revisions to the threshold for exempt transactions made by the Board in April 2011. Although the Bureau has the authority to issue rules to implement TILA for most entities, the Board retains authority to issue rules under TILA for certain motor vehicle dealers covered by section 1029(a) of the Dodd-Frank Act, and the Board's Regulation Z continues to apply to those entities.<sup>5</sup>

Section 226.3(b)(1)(ii) of the Board's Regulation Z and § 1026.3(b)(1)(ii) of the Bureau's Regulation Z, and their accompanying commentaries, provide that the exemption threshold will be adjusted annually effective January 1 of each year based on any annual

percentage increase in the CPI-W that was in effect on the preceding June 1. Any increase in the threshold amount will be rounded to the nearest \$100 increment. For example, if the annual percentage increase in the CPI-W would result in a \$950 increase in the threshold amount, the threshold amount will be increased by \$1,000. However, if the annual percentage increase in the CPI-W would result in a \$949 increase in the threshold amount, the threshold amount will be increased by \$900.<sup>6</sup>

### II. Adjustment and Commentary Revision

Effective January 1, 2015, the adjusted exemption threshold amount is \$54,600. This adjustment is based on the CPI-W index in effect on June 1, 2014, which was reported on May 15, 2014. 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 the month. The CPI-W is a subset of the CPI-U index (based on all urban consumers) and represents approximately 28 percent of the U.S. population. The adjustment reflects a 2 percent increase in the CPI-W from April 2013 to April 2014 and is rounded to the nearest \$100 increment. Accordingly, the Board and the Bureau are revising the commentaries to their respective regulations to add new comment 3(b)-1.vi to state that, from January 1, 2015 through December 31, 2015, the threshold amount is \$54,600. These revisions are effective January 1, 2015.

### III. Administrative Law Matters

#### *Administrative Procedure Act*

Under the Administrative Procedure Act, notice and opportunity for public comment are not required if the Board and the Bureau find that notice and public comment are impracticable, unnecessary, or contrary to the public interest.<sup>7</sup> This annual adjustment is required by statute. The amendment in this notice is technical and non-discretionary, and it applies the method previously established in the agencies' regulations for determining adjustments to the exemption threshold. For these reasons, the Board and the Bureau have determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. Therefore, the amendments are adopted in final form.

<sup>6</sup> See comments 3(b)-1 in Supplements I of 12 CFR part 226 and 12 CFR part 1026.

<sup>7</sup> 5 U.S.C. 553(b)(B).

#### *Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA) does not apply to a rulemaking where a general notice of proposed rulemaking is not required.<sup>8</sup> As noted previously, the agencies have determined that it is unnecessary to publish a general notice of proposed rulemaking for this joint final rule. Accordingly, the RFA's requirements relating to an initial and final regulatory flexibility analysis do not apply.

#### *Paperwork Reduction Act*

In accordance with the Paperwork Reduction Act of 1995,<sup>9</sup> the agencies reviewed this final rule. No collections of information pursuant to the Paperwork Reduction Act are contained in the final rule.

#### List of Subjects

##### *12 CFR Part 226*

Advertising, Consumer protection, Federal Reserve System, Reporting and recordkeeping requirements, Truth in lending.

##### *12 CFR Part 1026*

Advertising, Consumer protection, Credit, Credit unions, Mortgages, National banks, Reporting and recordkeeping requirements, Savings associations, Truth in lending.

#### Board of Governors of the Federal Reserve System

#### Text of Final Revisions

For the reasons set forth in the preamble, the Board amends Regulation Z, 12 CFR part 226, as set forth below:

#### 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, 1637(c)(5), and 1639(l); Pub. L. 111-24 section 2, 123 Stat. 1734; Pub. L. 111-203, 124 Stat. 1376.

#### Subpart A—General

- 2. In Supplement I to part 226, under *Section 226.3—Exempt Transactions*, under *3(b) Credit over applicable threshold amount*, paragraph 1.vi is added to read as follows:

#### Supplement I to Part 226—Official Staff Interpretations

\* \* \* \* \*

#### Subpart A—General

\* \* \* \* \*

<sup>8</sup> 5 U.S.C. 603 and 604.

<sup>9</sup> 44 U.S.C. 3506; 5 CFR 1320.

<sup>1</sup> Although consumer credit transactions above the threshold are generally exempt, loans secured by real property or by personal property used or expected to be used as the principal dwelling of a consumer and private education loans are covered by TILA regardless of the loan amount. See 12 CFR 226.3(b)(1)(i) and 12 CFR 1026.3(b)(1)(i).

<sup>2</sup> Public Law 111-203 section 1100E, 124 Stat. 1376 (2010).

<sup>3</sup> 76 FR 18354 (Apr. 4, 2011).

<sup>4</sup> 76 FR 79768 (Dec. 22, 2011).

<sup>5</sup> See also 12 U.S.C. 5519(b).

*Section 226.3—Exempt Transactions*

\* \* \* \* \*

3(b) Credit over applicable threshold amount.

1. *Threshold amount.* \* \* \*

vi. From January 1, 2015 through December 31, 2015, the threshold amount is \$54,600.

\* \* \* \* \*

**Bureau of Consumer Financial Protection****Authority and Issuance**

For the reasons set forth in the preamble, the Bureau amends Regulation Z, 12 CFR part 1026, as set forth below:

**PART 1026—TRUTH IN LENDING (REGULATION Z)**

■ 1. The authority citation for part 1026 continues to read as follows:

**Authority:** 12 U.S.C. 2601, 2603–2605, 2607, 2609, 2617, 5511, 5512, 5532, 5581; 15 U.S.C. 1601 *et seq.*

■ 2. In Supplement I to part 1026, under *Section 1026.3—Exempt Transactions*, under 3(b) Credit Over Applicable Threshold Amount, paragraph 1.vi is added to read as follows:

**Supplement I to Part 1026—Official Interpretations**

\* \* \* \* \*

**Subpart A—General**

\* \* \* \* \*

*Section 1026.3—Exempt Transactions*

\* \* \* \* \*

3(b) Credit Over Applicable Threshold Amount

1. *Threshold amount.* \* \* \*

vi. From January 1, 2015 through December 31, 2015, the threshold amount is \$54,600.

\* \* \* \* \*

By order of the Board of Governors of the Federal Reserve System, September 8, 2014.

**Robert deV. Frierson.**

*Secretary of the Board.*

Dated: September 3, 2014.

**Richard Cordray,**

*Director, Bureau of Consumer Financial Protection.*

[FR Doc. 2014–21849 Filed 9–19–14; 8:45 am]

**BILLING CODE 6210–01–P; 4810–AM–P**

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Part 25**

**[Docket No. FAA–2013–0900; Special Conditions No. 25–540–SC]**

**Special Conditions: Airbus Model A350–900 airplane; General Limiting Requirements**

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

**ACTION:** Final special conditions.

**SUMMARY:** These special conditions are issued for Airbus Model A350–900 airplanes. These airplanes will have a novel or unusual design feature associated with general limiting requirements of its flight-envelope protection features. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for this design feature. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

**DATES:** Effective September 22, 2014.

**FOR FURTHER INFORMATION CONTACT:** Joe Jacobsen, FAA, Airplane and Flightcrew Interface, ANM–111, Transport Airplane Directorate, Aircraft Certification Service, 1601 Lind Avenue SW., Renton, Washington 98057–3356; telephone (425) 227–2011; facsimile (425) 227–1320.

**SUPPLEMENTARY INFORMATION:****Background**

On August 25, 2008, Airbus applied for a type certificate for their new Model A350–900 airplane. Later, Airbus requested, and the FAA approved, an extension to the application for FAA type certification to November 15, 2009. The Model A350–900 airplane has a conventional layout with twin wing-mounted Rolls-Royce Trent XWB engines. It features a twin aisle, 9-abreast, economy-class layout, and accommodates side-by-side placement of LD–3 containers in the cargo compartment. The basic Model A350–900 airplane configuration will accommodate 315 passengers in a standard two-class arrangement. The design cruise speed is Mach 0.85 with a maximum take-off weight of 602,000 lbs.

**Type Certification Basis**

Under Title 14, Code of Federal Regulations (14 CFR) 21.17, Airbus must show that the Model A350–900 airplane meets the applicable provisions of 14

CFR part 25, as amended by Amendments 25–1 through 25–129.

If the Administrator finds that the applicable airworthiness regulations (i.e., 14 CFR part 25) do not contain adequate or appropriate safety standards for the Model A350–900 airplane because of a novel or unusual design feature, special conditions are prescribed under § 21.16.

Special conditions are initially applicable to the model for which they are issued. Should the type certificate for that model be amended later to include any other model that incorporates the same or similar novel or unusual design feature, the special conditions would also apply to the other model under § 21.101.

In addition to the applicable airworthiness regulations and special conditions, the Model A350–900 airplane must comply with the fuel-vent and exhaust-emission requirements of 14 CFR part 34, and the noise-certification requirements of 14 CFR part 36. The FAA must issue a finding of regulatory adequacy under § 611 of Public Law 92–574, the “Noise Control Act of 1972.”

The FAA issues special conditions, as defined in 14 CFR 11.19, under § 11.38, and they become part of the type-certification basis under § 21.17(a)(2).

**Novel or Unusual Design Features**

The Airbus Model A350–900 airplane incorporates the following novel or unusual design features: General limiting requirements for the flight-envelope protection system.

**Discussion**

These special conditions, and the following that pertain to flight-envelope protection, present general limiting requirements for all the unique flight-envelope protection features of the basic Model A350 airplane’s electronic flight-control system (EFCS) design. Current regulations do not address these types of protection features. The general limiting requirements are necessary to ensure a smooth transition from normal flight to the protection mode and adequate maneuver capability. The general limiting requirements also ensure that the structural limits of the airplane are not exceeded. Furthermore, failure of the flight-envelope protection feature must not create hazardous flight conditions. Envelope-protection parameters include angle of attack, normal load factor, bank angle, pitch angle, and speed. To accomplish these envelope protections, one or more significant changes occur in the EFCS control laws as the normal flight-