

loan as defined in § 1026.46(b)(5)), if either of the following conditions is met:

A. The creditor makes an extension of credit at consummation that exceeds the threshold amount in effect at the time of consummation. In these circumstances, the loan remains exempt under § 1026.3(b) even if the amount owed is subsequently reduced below the threshold amount (such as through repayment of the loan).

B. The creditor makes a commitment at consummation to extend a total amount of credit in excess of the threshold amount in effect at the time of consummation. In these circumstances, the loan remains exempt under § 1026.3(b) even if the total amount of credit extended does not exceed the threshold amount.

ii. *Subsequent changes.* If a creditor makes a closed-end extension of credit or commitment to extend closed-end credit that exceeds the threshold amount in effect at the time of consummation, the closed-end loan remains exempt under § 1026.3(b) regardless of a subsequent increase in the threshold amount. However, a closed-end loan is not exempt under § 1026.3(b) merely because it is used to satisfy and replace an existing exempt loan, unless the new extension of credit is itself exempt under the applicable threshold amount. For example, assume a closed-end loan that qualified for a § 1026.3(b) exemption at consummation in year one is refinanced in year ten and that the new loan amount is less than the threshold amount in effect in year ten. In these circumstances, the creditor must comply with all of the applicable requirements of this part with respect to the year ten transaction if the original loan is satisfied and replaced by the new loan, which is not exempt under § 1026.3(b). See also comment 3(b)–6.

6. *Addition of a security interest in real property or a dwelling after account opening or consummation.*

i. *Open-end credit.* For open-end accounts, if after account opening a security interest is taken in real property, or in personal property used or expected to be used as the consumer's principal dwelling, a previously exempt account ceases to be exempt under § 1026.3(b) and the creditor must begin to comply with all of the applicable requirements of this part within a reasonable period of time. See comment 3(b)–4.ii. If a security interest is taken in the consumer's principal dwelling, the creditor must also give the consumer the right to rescind the security interest consistent with § 1026.15.

ii. *Closed-end credit.* For closed-end loans, if after consummation a security interest is taken in real property, or in personal property used or expected to be used as the consumer's principal dwelling, an exempt loan remains exempt under § 1026.3(b). However, the addition of a security interest in the consumer's principal dwelling is a transaction for purposes of § 1026.23, and the creditor must give the consumer the right to rescind the security interest consistent with that section. See § 1026.23(a)(1) and its commentary. In contrast, if a closed-end loan that is exempt under § 1026.3(b) is satisfied and replaced by a loan that is secured by real property, or by personal property used or

expected to be used as the consumer's principal dwelling, the new loan is not exempt under § 1026.3(b), and the creditor must comply with all of the applicable requirements of this part. See comment 3(b)–5.

7. *Application to extensions secured by mobile homes.* Because a mobile home can be a dwelling under § 1026.2(a)(19), the exemption in § 1026.3(b) does not apply to a credit extension secured by a mobile home that is used or expected to be used as the principal dwelling of the consumer. See comment 3(b)–6.

8. *Transition rule for open-end accounts exempt prior to July 21, 2011.* Section 1026.3(b)(2) applies only to open-end accounts opened prior to July 21, 2011. Section 1026.3(b)(2) does not apply if a security interest is taken by the creditor in real property, or in personal property used or expected to be used as the consumer's principal dwelling. If, on July 20, 2011, an open-end account is exempt under § 1026.3(b) based on a firm commitment to extend credit in excess of \$25,000, the account remains exempt under § 1026.3(b)(2) until December 31, 2011 (unless the firm commitment is reduced to \$25,000 or less). If the firm commitment is increased on or before December 31, 2011, to an amount in excess of \$50,000, the account remains exempt under § 1026.3(b)(1) regardless of subsequent increases in the threshold amount as a result of increases in the CPI–W. If the firm commitment is not increased on or before December 31, 2011, to an amount in excess of \$50,000, the account ceases to be exempt under § 1026.3(b) based on a firm commitment to extend credit. For example:

i. Assume that, on July 20, 2011, the account is exempt under § 1026.3(b) based on the creditor's firm commitment to extend \$30,000 in credit. On November 1, 2011, the creditor increases the firm commitment on the account to \$55,000. In these circumstances, the account remains exempt under § 1026.3(b)(1) regardless of subsequent increases in the threshold amount as a result of increases in the CPI–W.

ii. Same facts as paragraph 8.i of this section except, on November 1, 2011, the creditor increases the firm commitment on the account to \$40,000. In these circumstances, the account ceases to be exempt under § 1026.3(b)(2) after December 31, 2011, and the creditor must begin to comply with the applicable requirements of this part.

* * * * *

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority.

Benjamin W. McDonough,

Deputy Secretary of the Board.

Russell Vought,

Acting Director, Consumer Financial Protection Bureau.

[FR Doc. 2025–22814 Filed 12–12–25; 8:45 am]

BILLING CODE 6210–01–4810–AM–P

CONSUMER FINANCIAL PROTECTION BUREAU

12 CFR Part 1022

Fair Credit Reporting Act Disclosures

AGENCY: Consumer Financial Protection Bureau.

ACTION: Final rule; official interpretation.

SUMMARY: The Consumer Financial Protection Bureau (Bureau) is issuing this final rule amending an appendix for Regulation V, which implements the Fair Credit Reporting Act (FCRA). The Bureau is required to calculate annually the dollar amount of the maximum allowable charge for disclosures by a consumer reporting agency to a consumer pursuant to section 609 of the FCRA; this final rule establishes the maximum allowable charge for the 2026 calendar year.

DATES: This final rule is effective January 1, 2026.

FOR FURTHER INFORMATION CONTACT: Dave Gettler, Paralegal Specialist, Office of Regulations, at (202) 435–7700 or at: <https://reginquiries.consumerfinance.gov>. If you require this document in an alternative electronic format, please contact CFPB_Accessibility@cfpb.gov.

SUPPLEMENTARY INFORMATION: The Bureau is amending appendix O to Regulation V, which implements the FCRA, to establish the maximum allowable charge for disclosures by a consumer reporting agency to a consumer for 2026. The maximum allowable charge will be \$16.00 for 2026.

I. Background

Under section 609 of the FCRA, a consumer reporting agency must, upon a consumer's request, disclose to the consumer information in the consumer's file.¹ Section 612(a) of the FCRA gives consumers the right to a free file disclosure upon request once every 12 months from the nationwide consumer reporting agencies and nationwide specialty consumer reporting agencies.² Section 612 of the FCRA also gives consumers the right to a free file disclosure under certain other, specified circumstances.³ Where the consumer is

¹ 15 U.S.C. 1681g.

² 15 U.S.C. 1681j(a).

³ 15 U.S.C. 1681j(b)–(d). The maximum allowable charge announced by the Bureau does not apply to requests made under section 612(a)–(d) of the FCRA. The charge does apply when a consumer who orders a file disclosure has already received a free annual file disclosure and does not otherwise qualify for an additional free file disclosure.

not entitled to a free file disclosure, section 612(f)(1)(A) of the FCRA provides that a consumer reporting agency may impose a reasonable charge on a consumer for making a file disclosure. Section 612(f)(1)(A) of the FCRA provides that the charge for such a disclosure shall not exceed \$8.00 and shall be indicated to the consumer before making the file disclosure.⁴

Section 612(f)(2) of the FCRA also states that the \$8.00 maximum amount shall increase on January 1 of each year, based proportionally on changes in the Consumer Price Index, with fractional changes rounded to the nearest fifty cents.⁵ Such increases are based on the Consumer Price Index for All Urban Consumers (CPI-U), which is the most general Consumer Price Index and covers all urban consumers and all items.

II. Adjustment

For 2026, the ceiling on allowable charges under section 612(f) of the FCRA will be \$16.00, an increase of \$0.50 from 2025. The Bureau is using the \$8.00 amount set forth in section 612(f)(1)(A)(i) of the FCRA as the baseline for its calculation of the increase in the ceiling on reasonable charges for certain disclosures made under section 609 of the FCRA. Since the effective date of section 612(a) was September 30, 1997, the Bureau calculated the proportional increase in the CPI-U from September 1997 to September 2025. The Bureau then determined what modification, if any, from the original base of \$8.00 should be made effective for 2026, given the requirement that fractional changes be rounded to the nearest fifty cents.

Between September 1997 and September 2025, the CPI-U increased by 101.489 percent from an index value of 161.2 in September 1997 to a value of 324.800 in September 2025.⁶ An increase of 101.489 percent in the \$8.00 base figure would lead to a figure of \$16.12. However, because the statute directs that the resulting figure be rounded to the nearest \$0.50, the maximum allowable charge is \$16.00. The Bureau therefore determines that the maximum allowable charge for the year 2026 will increase to \$16.00.

III. Procedural Requirements

A. Administrative Procedure Act

Under the Administrative Procedure Act (APA), notice and opportunity for

public comment are not required if the Bureau finds that notice and public comment are impracticable, unnecessary, or contrary to the public interest.⁷ Pursuant to this final rule, in Regulation V, appendix O is amended to update the maximum allowable charge for 2026 under section 612(f). The amendment in this final rule is technical and non-discretionary, as it merely applies the method previously established in Regulation V for determining adjustments to the thresholds. For these reasons, the Bureau has determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. The amendment therefore is adopted in final form.

Section 553(d) of the APA generally requires publication of a final rule not less than 30 days before its effective date, except in the case of (1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretive rules and statements of policy; or (3) as otherwise provided by the agency for good cause found and published with the rule.⁸ At a minimum, the Bureau has determined that the amendment falls under the third exception to section 553(d). The Bureau finds that there is good cause to make the amendment effective on January 1, 2026. The amendment in this final rule is technical and non-discretionary, and it applies the method previously established in the agency's regulations for determining adjustments to the threshold.

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.⁹ As noted previously, the Bureau has determined that it is unnecessary to publish a general notice of proposed rulemaking for this final rule. Accordingly, the RFA's requirement relating to an initial and final regulatory flexibility analysis does not apply.

C. Paperwork Reduction Act

The information collections contained in Regulation V, which implements the FCRA, are approved by the Office of Management and Budget under Control number 3170-0002. In accordance with the Paperwork Reduction Act of 1995,¹⁰ the Bureau reviewed this final rule. The Bureau has determined that this rule

does not create any new information collections or substantially revise any existing collections.

D. Executive Order 12866

The Office of Information and Regulatory Affairs within the Office of Management and Budget (OMB) has determined that this action is not a "significant regulatory action" under Executive Order 12866, as amended.

E. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Bureau will submit a report containing this rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the United States prior to the rule taking effect. The Office of Information and Regulatory Affairs has designated this rule as not a "major rule" as defined by 5 U.S.C. 804(2).

List of Subjects in 12 CFR Part 1022

Banks, Banking, Consumer protection, Credit unions, Holding companies, National banks, Privacy, Reporting and recordkeeping requirements, Savings associations.

Authority and Issuance

For the reasons set forth in the preamble, the Bureau amends Regulation V, 12 CFR part 1022, as set forth below:

PART 1022—FAIR CREDIT REPORTING (REGULATION V)

■ 1. The authority citation for part 1022 continues to read as follows:

Authority: 12 U.S.C. 5512, 5581; 15 U.S.C. 1681a, 1681b, 1681c, 1681c-1, 1681c-3, 1681e, 1681g, 1681i, 1681j, 1681m, 1681s, 1681s-2, 1681s-3, and 1681t; Sec. 214, Pub. L. 108-159, 117 Stat. 1952.

■ 2. Appendix O is revised to read as follows:

Appendix O to Part 1022—Reasonable Charges for Certain Disclosures

Section 612(f) of the FCRA, 15 U.S.C. 1681j(f), directs the Bureau to increase the maximum allowable charge a consumer reporting agency may impose for making a disclosure to the consumer pursuant to section 609 of the FCRA, 15 U.S.C. 1681g, on January 1 of each year, based proportionally on changes in the Consumer Price Index, with fractional changes rounded to the nearest fifty cents. The Bureau will publish notice of the maximum allowable charge each year by amending this appendix. For calendar year 2026, the maximum allowable charge is \$16.00. For historical purposes:

1. For calendar year 2012, the maximum allowable disclosure charge was \$11.50.
2. For calendar year 2013, the maximum allowable disclosure charge was \$11.50.

⁴ 15 U.S.C. 1681j(f)(1)(A).

⁵ 15 U.S.C. 1681j(f)(2).

⁶ The Bureau of Labor Statistics began reporting CPI-U with three decimal points instead of one decimal point in 2007.

⁷ 5 U.S.C. 553(b)(B).

⁸ 5 U.S.C. 553(d).

⁹ 5 U.S.C. 603(a), 604(a).

¹⁰ 44 U.S.C. 3506; 5 CFR part 1320.

3. For calendar year 2014, the maximum allowable disclosure charge was \$11.50.

4. For calendar year 2015, the maximum allowable disclosure charge was \$12.00.

5. For calendar year 2016, the maximum allowable disclosure charge was \$12.00.

6. For calendar year 2017, the maximum allowable disclosure charge was \$12.00.

7. For calendar year 2018, the maximum allowable disclosure charge was \$12.00.

8. For calendar year 2019, the maximum allowable disclosure charge was \$12.50.

9. For calendar year 2020, the maximum allowable disclosure charge was \$12.50.

10. For calendar year 2021, the maximum allowable disclosure charge was \$13.00.

11. For calendar year 2022, the maximum allowable disclosure charge was \$13.50.

12. For calendar year 2023, the maximum allowable disclosure charge was \$14.50.

13. For calendar year 2024, the maximum allowable disclosure charge was \$15.50.

14. For calendar year 2025, the maximum allowable disclosure charge was \$15.50.

15. For calendar year 2026, the maximum allowable disclosure charge is \$16.00.

Russell Vought,

Acting Director, Consumer Financial Protection Bureau.

[FR Doc. 2025-22772 Filed 12-12-25; 8:45 am]

BILLING CODE 4810-AM-P

CONSUMER FINANCIAL PROTECTION BUREAU

12 CFR Part 1026

Truth in Lending (Regulation Z) Annual Threshold Adjustments (Credit Cards, HOEPA, and Qualified Mortgages)

AGENCY: Consumer Financial Protection Bureau.

ACTION: Final rule; official interpretation.

SUMMARY: The Consumer Financial Protection Bureau (Bureau) is issuing this final rule amending the regulation text and official interpretations for Regulation Z, which implements the Truth in Lending Act (TILA). The Bureau calculates the dollar amounts for provisions in Regulation Z annually; this final rule revises the amounts for provisions implementing TILA and its amendments, including the Home Ownership and Equity Protection Act of 1994 (HOEPA), and the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). The Bureau adjusts these amounts based on the annual percentage change of the Consumer Price Index (CPI) as of June 1, 2025.

DATES: This final rule is effective January 1, 2026.

FOR FURTHER INFORMATION CONTACT: Dave Gettler, Paralegal Specialist, Office of Regulations, at 202-435-7700 or at:

<https://reginquiries.consumerfinance.gov/>.

If you require this document in an alternative electronic format, please contact CFPB_Accessibility@cfpb.gov.

SUPPLEMENTARY INFORMATION: The Bureau is amending the regulation text and official interpretations for Regulation Z, which implements TILA, to update the dollar amounts of various thresholds that it must adjust annually to reflect the annual percentage change in the CPI as published by the Bureau of Labor Statistics (BLS). Specifically, for open-end consumer credit plans under TILA, the threshold that triggers requirements to disclose minimum interest charges will remain unchanged at \$1.00 in 2026. For HOEPA loans, the adjusted total loan amount threshold for high-cost mortgages in 2026 will be \$27,592. The adjusted points-and-fees dollar trigger for high-cost mortgages in 2026 will be \$1,380. For qualified mortgages (QMs) under the General QM loan definition in § 1026.43(e)(2), the thresholds for the spread between the annual percentage rate (APR) and the average prime offer rate (APOR) ¹ in 2026 will be: 2.25 or more percentage points for a first-lien covered transaction with a loan amount greater than or equal to \$137,958; 3.5 or more percentage points for a first-lien covered transaction with a loan amount greater than or equal to \$82,775 but less than \$137,958; 6.5 or more percentage points for a first-lien covered transaction with a loan amount less than \$82,775; 6.5 or more percentage points for a first-lien covered transaction secured by a manufactured home with a loan amount less than \$137,958; 3.5 or more percentage points for a subordinate-lien covered transaction with a loan amount greater than or equal to \$82,775; or 6.5 or more percentage points for a subordinate-lien covered transaction with a loan amount less than \$82,775. For all categories of QMs, the thresholds for total points and fees in 2026 will be

¹ On April 20, 2023, the Bureau published a document announcing the availability of a revised version of its “Methodology for Determining Average Prime Offer Rates,” which describes the data and methodology used to calculate the average prime offer rate for purposes of Regulation C and Regulation Z. See 88 FR 24393. The methodology statement was revised to address the imminent unavailability of certain data the Bureau previously relied on to calculate average prime offer rates, as a result of a decision by Freddie Mac to make changes to its Primary Mortgage Market Survey® (PMMS). After evaluating potential sources, the Bureau determined that data from Intercontinental Exchange Mortgage Technology (ICE Mortgage Technology) is currently the most suitable option to replace PMMS. Beginning on April 24, 2023, the Bureau started using data provided by ICE Mortgage Technology and the revised methodology to calculate average prime offer rates.

3 percent of the total loan amount for a loan greater than or equal to \$137,958; \$4,139 for a loan amount greater than or equal to \$82,775 but less than \$137,958; 5 percent of the total loan amount for a loan greater than or equal to \$27,592 but less than \$82,775; \$1,380 for a loan amount greater than or equal to \$17,245 but less than \$27,592; and 8 percent of the total loan amount for a loan amount less than \$17,245.²

I. Background

A. Credit Card Annual Adjustments

Minimum Interest Charge Disclosure Thresholds

Sections 1026.6(b)(2)(iii) and 1026.60(b)(3) of Regulation Z implement sections 127(a)(3) and 127(c)(1)(A)(ii)(II) of TILA. Sections 1026.6(b)(2)(iii) and 1026.60(b)(3) require creditors to disclose any minimum interest charge exceeding \$1.00 that could be imposed during a billing cycle. These provisions also state that, for open-end consumer credit plans, the Bureau shall calculate the minimum interest charge thresholds annually using the CPI that was in effect on the preceding June 1; the Bureau uses the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for this adjustment.³ If the cumulative change in the adjusted minimum value derived from applying the annual CPI-W level to the current amounts in §§ 1026.6(b)(2)(iii) and 1026.60(b)(3) has risen by a whole dollar, the Bureau will increase the minimum interest charge amounts set forth in the regulation by \$1.00. The Bureau bases its 2026 adjustment analysis on the CPI-W index in effect on June 1, 2025, as reported by BLS on May 13, 2025.⁴ As a result, the adjustment reflects the percentage change in the CPI-W from April 2024 to April 2025. The adjustment analysis accounts for a 2.1 percent increase in the CPI-W from April 2024 to April 2025. This increase in the CPI-W when applied to the current amounts in §§ 1026.6(b)(2)(iii) and 1026.60(b)(3) does not trigger an increase in the minimum interest charge threshold of at least \$1.00, and the

² The QM categories in Regulation Z appear at 12 CFR 1026.43(e)(2), (e)(4), (e)(5), (e)(6), and (e)(7). Note that 12 CFR 1026.43(e)(6) applies only to covered transactions for which the application was received before April 1, 2016.

³ The CPI-W is a subset of the Consumer Price Index for All Urban Consumers (CPI-U) index and represents approximately 30 percent of the U.S. population.

⁴ BLS publishes Consumer Price Indices monthly, usually in the middle of each calendar month. Thus, the CPI-W reported on May 13, 2025, was the most current as of June 1, 2025.