

Juneteenth and Reg Z

Purpose

This announcement includes the following topic:

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Juneteenth

One June 17, 2021, President Biden signed Senate Bill S.475 establishing June 19th as Juneteenth National Independence Day. The new law includes Juneteenth as a date-specific legal Federal Holiday as identified under 5 U.S.C. § 6103(a).

As such the following changes are **EFFECTIVE IMMEDIATELY** with the President's signing of this bill into law.

Regulation Z Rescission Timing

Juneteenth National Independence Day is considered a *SPECIFIC BUSINESS DAY to be excluded* when counting days to determine the proper rescission period.

Under 12 CFR § 1026.15(a)(3), the consumer may exercise the right to rescind until midnight of the third (3rd) business day following the occurrence that gave rise to the right to rescind. For purposes of this right of rescission, business days are considered to be Specific Business days, that is, all calendar days except Sundays and the legal public holidays specified in 5 U.S.C. § 6103(a), such as New Year's Day, the Birthday of Martin Luther King, Jr., Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.

Loan Estimate and Closing Disclosure Waiting Periods

Juneteenth National Independence Day is considered a *SPECIFIC BUSINESS DAY to be excluded* when counting days to determine the proper waiting period prior to consummation.

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Juneteenth,
continued

Under 12 CFR § 1026.19(e)(1)(iii), the creditor shall deliver or place in the mail the disclosures required under paragraph (e)(1)(i) of this section not later than the third (3rd) business day after the creditor receives the consumer's application, as defined in § 1026.2(a)(3), and not later than seven (7) business days before the loan is consummated.

Under 12 CFR § 1026.19(f)(1)(ii), the creditor shall ensure that the consumer receives the disclosures required under paragraph (f)(1)(i) of this section no later than three (3) business days before consummation.

Effective Date

Effective Immediately

Questions

Please contact Brent Wilder, National Account Executive, as bwilder@fsmloans.biz
