

John McKenzie

From: John McKenzie
Sent: Tuesday, April 4, 2017 2:02 PM
To: 'FederalRegisterComments@cfpb.gov'
Subject: Indiana Credit Union League Comments on Prepaid Accounts Rule Effective Date Delay- Docket No. CFPB-2017-0008

Ms. Monica Jackson
Office of the Executive Secretary
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Re: Prepaid Accounts Under the Electronic Fund Transfer Act (Regulation E) and the Truth in Lending Act (Regulation Z)-Delay of Effective Date;
Docket No. CFPB-2017-0008

Dear Ms. Jackson,

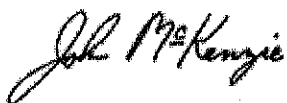
The Indiana Credit Union League (ICUL) appreciates the opportunity to submit comments on the Consumer Financial Protection Bureau's (CFPB) proposal to delay the effective date of the Prepaid Accounts Under the Electronic Fund Transfer Act (Regulation E) and the Truth in Lending Act (Regulation Z) final rule. The ICUL member credit unions represent 97% of assets and members of Indiana's credit unions, with those memberships totaling more than two million consumers.

The CFPB is proposing to delay the October 1, 2017 effective date of the prepaid accounts rule by six months until April 1, 2018. We agree that the original twelve-month timeframe to comply with the changes required in the final rule was not enough time for institutions to develop all of the necessary collateral materials required by the rule. However, we also do not believe that the proposed six-month extension adds enough time for institutions to fully comply with the new rule. We remain particularly concerned that the CFPB has not allowed for sufficient time for the replacement of physical card packaging to include new disclosures. We believe a delay of one year, until October 1, 2018, is a more appropriate extension to facilitate the CFPB's desire to provide more time for compliance while also reviewing the rule for any additional changes necessary.

The ICUL supports the intent of the rule to provide consumers safe and transparent disclosures and appropriate consumer protections on prepaid accounts. We believe that the longer delay will also afford the CFPB additional time to do a more thorough review of the rule and address other areas of concern that have been raised previously, and to propose substantive changes to the rule to address many of these issues. We encourage the CFPB to revisit this proposal and develop a more targeted approach that addresses the most significant abuses and focuses on those institutions that represent the vast majority of the abusive practices. Rather than continuing to overregulate the financial services industry, we believe that the CFPB should be looking for ways to reduce the regulatory burden in ways that position credit unions and other financial institutions to focus on offering valuable services to the consumer.

On behalf of Indiana credit unions, we appreciate the opportunity to comment and we urge the CFPB to consider delaying the effective date of the Prepaid Accounts rule by more than six months, and to utilize the additional time to further evaluate the rule and make substantial changes that will allow credit unions to continue to offer this type of service to their members. If you have any questions about our letter, I would welcome the opportunity to discuss them. Please do not hesitate to give me a call at (317) 594-5320.

Sincerely,



John McKenzie
President, Indiana Credit Union League