

From: Credit Union of Dodge City, Nathan Thompson
Subject: Reg Z - Truth in Lending

Comments:

Just like most credit unions around the country, we do all of our in house loans as an open end line of credit as a convenience for our members. Operating in this fashion allows us to have our members sign for a loan one time and continue to qualify for other loans without the burden of continuous paper work. Just like a closed end loan, these loans have specific terms, rates and payments with a pay-off date clearly defined. Typically, loans are set to come due 30 days from the date of the note signature, but as an added service to our membership, flexibility in the set due date is available to better meet their needs. Because of this, we have loans with due dates on every day of the month.

The new regulation as part of CARD Act 2009 requiring the 21 day notices of the payment due date does no service to our membership and only promises to create hardships for most credit unions. As for us, we use a core processor who cannot accommodate us with periodic statements. The only solution we have been provided is the option of moving all due dates to at least the 28th of the month to allow monthly statements to act as the required notice, but this provides no service to our membership. We have opted at this time to manually send notices, which has resulted in an increase in work-load, and creates the possibility of human error, which, again, provides not benefit to our membership.

We would strongly urge you to work towards the revision of this regulation to exclude all open-ended lending and focus just on credit cards as the law was originally intended. At the very least, please reconsider the implementation of the interim final rule on August 20th.

Thank you for your time and consideration.

Nathan Thompson
Credit Union of Dodge City