



R-1285

June 29, 2007

VIA FAX

Ms. Jennifer J. Johnson, Secretary
 Board of Governors of the Federal Reserve System
 20th Street and Constitution Avenue, N.W.
 Washington DC 20551

Re: Proposed Rule Regarding Truth in Savings Electronic Disclosure Delivery.

Dear Ms. Johnson:

The Wisconsin Bankers Association (WBA) is the largest financial institution trade association in Wisconsin, representing approximately 300 state and nationally chartered banks, savings and loans associations, and savings banks located in communities throughout the state. WBA appreciates the opportunity to comment on the proposed rule regarding electronic delivery of disclosures required by the Truth in Savings Act (TISA).

TISA requires financial institutions to disclose yields, fees, and other terms concerning deposit accounts to consumers at account opening, upon request, when change in terms occur, and in periodic statements to enable consumers to make informed decision about account at financial institutions. It also includes rules about advertising for deposit accounts. TISA, as implemented through the Board of Governors of the Federal Reserve System's (FRB's) Regulation DD, requires certain disclosures be provided to consumers and some of those disclosures must be in writing. FRB has proposed changes to current requirements that were implemented by an interim final rule published in 2001, yet never made final.

Under section 230.10 of Regulation DD, institutions are currently permitted to provide in electronic form any disclosures that are required to be provided or made available to the consumer in writing if the consumer affirmatively consents to receipt of electronic disclosures in the manner required by section 101(c) of the Electronic Signatures in Global and National Commerce Act (E-Sign). Currently, disclosures may be sent to an e-mail address designated by the consumer, or may be made available at another location, such as an Internet web site. If the disclosures are not sent by e-mail, financial institutions would have to provide a notice to consumers alerting them to the availability of the disclosures. Additionally, disclosures posted on a web site have to be available for at least 90 days to allow consumers adequate time to access and retain the information. Financial institutions are also required to make a good faith attempt to redeliver electronic disclosures that are returned undelivered, using the address information available in their files. The proposed rule eliminates these electronic delivery provisions contained currently in section 230.10 and instead addresses the electronic delivery of disclosures in revised subsections in 230.3 and 230.4. It should also be noted that the proposal would remove and reserve section 230.10.

The proposed rule does not change the general rule regarding the form of disclosures however, section 230.3(a) would be revised to provide that the disclosures required by 230.4(a)(2) [disclosures provided upon request] and 230.8 [advertising] may be provided to a consumer in electronic form. Financial Institutions may provide account disclosures by paper mail, or by electronic means provided the consumer agrees. Subsection 230.4 would be amended by revising paragraphs (a)(1)(ii) and (a)(2)(i) to read that if a consumer who is not present at the

4721 SOUTH BILTMORE LANE
 MADISON, WI 53718

P. O. BOX 8880
 MADISON, WI 53708-8880

608-441-1200
 FAX 608-661-9381

institution uses electronic means to open an account or request a service, the disclosures required under Regulation DD must be provided before the account is opened or the service is provided. The institution must provide account disclosures to a consumer upon request and if the consumer is not present at the time of the request, the institution shall mail or deliver the disclosures within a reasonable time after it receives the request and may provide the disclosures in paper form, or electronically if the consumer agrees and provides an electronic mail address.

In addition, to provide further clarity, comment 4 to section 230.4(a) would be added to the Official Staff Interpretations. The comment states that if a consumer who is not present at the institution makes a request for account disclosures, including a request made by telephone, e-mail, or via the institution's web site, the institution may send the disclosures in paper form, or, or if the consumer agrees, may provide the disclosures electronically, such as to an e-mail address that the consumer provides for that purpose, or on the institution's web site, without regard to the consumer consent or other provisions of E-Sign. Further, for a deposit account advertisement accessed by the consumer in electronic form, FRB proposes to permit financial institutions to provide the required disclosures in electronic form without regard to consumer consent and other provisions of E-Sign. Conversely, if a consumer receives a written advertisement in the mail, the financial institution would *not* satisfy its obligation to provide proper advertisement disclosures at that time by including a reference to a web site where the disclosures are located. FRB will monitor financial institutions' electronic disclosure practices with regard to the ability of applicants to retain certain Regulation DD disclosures and will consider further regulatory action if it appears necessary.

WBA commends FRB in its efforts to further reduce regulatory burdens on financial institutions and supports FRB's actions to modify Regulation DD disclosure requirements to better meet the needs of today's consumers. WBA agrees with FRB that both the industry and consumers have gained considerable experience with electronic disclosures and that consumers would benefit by having timely access to account-related disclosures in electronic form. WBA supports FRB's proposal to permit electronic delivery of certain Regulation DD disclosures without consumer's consent when the consumer is not present at the institution when the request is made. WBA agrees with FRB's analysis that consumers' ability to shop for deposit accounts online and compare the terms of various offers could be substantially diminished if consumers had to consent in accordance with E-Sign in order to access advertisements or obtain account disclosures. WBA believes FRB's proposal will not harm consumers or impose further regulatory burdens on financial institutions. WBA also supports FRB's removal of a minimum 90-day retention of disclosures on a web site and email alert notices and believes financial institutions will continue to make available required disclosures for consumers to review.

In conclusion, WBA supports FRB's proposal to withdraw portions of the 2001 interim final rule on electronic disclosures that restate or cross-reference provisions of E-Sign and retain the substance of certain provisions of the interim final rule that provide regulatory relief or guidance regarding electronic disclosures. Once again, WBA appreciates the opportunity to comment on the proposed rule.

Sincerely,



Kurt R. Bauer
President/CEO