

July 16, 2008

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

Subject: Proposal to Amend Regulation DD Docket Number R-1315

Dear Ms. Johnson:

Boeing Employees' Credit Union (BECU) appreciates the opportunity to provide comments on the proposed amendments to Regulation DD, which implements the Truth in Savings Act (TISA). BECU is a state-chartered, federally insured credit union with assets of \$8.1 billion with a membership base of over 531,000. Being a state-chartered credit union, we're not subject to the Federal Reserve Board's proposal, however, TISA requires the National Credit Union Administration (NCUA) to issue substantially similar rules and we are subject to those.

Our Current Program

Our members are given a verbal opportunity to opt-out at account opening and later at any time they choose. They are given an Account Agreement Booklet at account opening where we disclose the phone number to call if they want to opt-out, the several ways an overdraft could occur on their account(s), and that overdraft program amount is not included in the balance provided by a teller, at the ATM or point-of-sale debit card transactions. These are all included in your proposal.

We offer other options for overdraft coverage: automatic transfer from their savings account or upon qualifying, a line of credit loan to supply funds when needed. Every time an overdraft occurs, we mail a letter informing the member that an overdraft occurred and the non-sufficient fund (NSF) fee information.

Our periodic statements inform the members of their NSF checks and fees. The NSF fee is itemized in accordance to occurrence and not in a table as you proposed. Our members have the ability to call us to inquire for the monthly and year-to-date fee amounts. We do not charge an overdraft program fee when we pay an item; we only charge an NSF fee that would have occurred.

Proposal Requirements

The proposal would require financial institutions to provide an opt-out notice in writing at account opening and with each periodic statement when an overdraft occurs, or as an alternative to the periodic statement, a separate notice after an overdraft occurs. We do not agree with providing the opt-out in written format at account opening. As stated above, we verbally provide the opt-out at account opening and our Account Agreement Booklet informs the member they can opt-out at any time. To implement the opt-out notice with the periodic statement, as proposed, would require IT system development, testing and implementation. This would be very burdensome and costly to create and potentially add costs to our members.

Your proposal also requires displaying the Overdraft and NSF fees in a table and in close proximity with the opt-out notice on the periodic statement. The fees would need to display the current month's fees as well as year-to-date amounts. In our opinion to create, test and implement this format would be very burdensome and costly. We believe if the member wanted to opt-out; the notice and fees table would need to be a separate page so that the member could retain the rest of their periodic statement information. As a result, this additional page would increase postage cost.

Overall, we are already providing our members all of the proposed requirements other than the written format of the opt-out notice, placing the fees and opt-out notice together in the periodic statement and the calculation of monthly and year-to-date fees. In our opinion, this proposal will mandate unnecessary IT system development, testing and costs that will not provide any further protection or benefit to our members. If the proposal is approved as written, we would need at least a year to create, test and implement.

Thank you for allowing us the opportunity to provide comments on this proposal. We look forward to the outcome.

Sincerely,



Gary J. Oakland
President and CEO



Joe Brancucci
Executive Vice President
President – CEO, Prime Alliance Solutions, Inc.