

From: Total Community Credit Union , Phillip Matous
Subject: Reg Z - Truth in Lending

Comments:

Following is the original e-mail received:

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7/31/09 Chairman Ben Bernanke Board of Governors of the Federal Reserve System 20th Street and Constitution Avenue NW Washington, DC 20551 Dear Chairman Bernanke, RE: August 20th Implementation Date Concerning Credit Card Accountability Rule. I am writing in support of CUNA President Dan Mica's recent request to you to delay the August 20th compliance date of the 21 day rule as it applies to open-end credit other than credit cards. We, as do most credit unions, have a statement system set up for credit cards separate from open-end credit other than credit cards. The statement system for open-end credit other than credit cards has always been incorporated into the members' savings account statement. We send out consolidate statements on or around the first of each month regardless of the due date on the loans. These statements have never been "billings" as such but simply statements of account because the members know when their bills are due. We do not send out "billings" for such loans. The members get a year's supply of payment coupons when the loan is issued or refinanced and use those coupons as their reminders to pay. This regulation also creates a potential disaster each month. Over the last several years, our statement mailing has occasionally been delayed a few days due to computer processing errors. This was never a legal problem because our statements for open-end credit other than credit cards were never considered to be billings. Now however, with your proposal, these statements become billings and any delay in mailing would cause horrendous computer programming problems that month if such a delay were long enough that we did not meet the 21 day rule thereby requiring us not to report any of those members late with their payment. In reality, since our members receive payment coupons on all loans in question, since credit unions have not in any way defrauded members on these or other loans, it would be appreciated if you could not only delay this implementation but in fact exempt credit unions entirely from this requirement for a 21 day billing notice on open-end credit other than credit cards.
Cordially, Phillip A. Matous