

From: Capitol Credit Union, Stefanie Medack
Subject: Reg Z - Truth in Lending

Comments:

August 5, 2009

Board of Governors of the Federal Reserve Board
20th & C Streets NW
Washington, DC 20551

regs.comments@federalreserve.gov

Re: Interim Final Rule Implementing the Credit Card Accountability
Responsibility and
Disclosure Act

Dear Board of Governors:

I am writing to you as both a member of Capitol Credit Union, a state chartered credit union in Austin, Texas, and as the secretary of its elected board of directors.

Of pressing concern to me is the 21-day rule, which goes into effect August 20, 2009, as it applies to open end credit plans other than credit cards. I respectfully request, that at a minimum, you consider delaying implementation of the new interim final rule for several months to allow credit unions, data processors and our members time to adequately develop and implement an effective, equitable and economical process to accomplish the regulations you have set for us.

The main difficulty in complying with the 21-day rule lies not with the credit cards, but with the other open end credit plans. Our credit union could meet the August 20, 2009 deadline for credit cards. However, we were thrown a curve when the other forms of open end credit came into play. The logistics of complying with notification so quickly is still being investigated and, at this time, our processor cannot assure us that compliance is possible. Even at that, the cost to so quickly make changes to programming will ultimately adversely affect our members.

Additionally, we allow members to select the due date and frequency of payments to meet their budgets. A hasty implementation of the 21-day rule to merely to satisfy the August 20, 2009 deadline could result in our credit union having to change due dates selected by our individual members. Again, adversely affecting our members.

Regarding compliance with the 21-day rule across the board and full compliance at a later date, please consider the following.

The required rule will mean that our members will begin receiving multiple mailings. Currently, we send out consolidated statements to members. A statement will contain applicable information to the entire account, such as share, checking and loan (even multiple loans under one account) balances and loan due dates. Our compliance with the 21-day rule will require us to send out more paper notifications which translates to more expense for the credit union

(members ultimately paying for a "notification" they may neither need nor desire) and more paper generated (many of our members are interested in the environment and support the "green" movement).

In closing, please note that we share similar charges. You are charged with protecting the credit rights of consumers. Credit unions are member driven and charged with serving those members. Your consumers are our members. To be responsive to the needs of both your consumers and our members, at a minimum our credit union needs adequate time to implement the 21-day rule for open end credit plans other than credit cards. A delay in this portion of the 21-day rule and perhaps a delay in implementing the entire 21-day rule might be in the best interest of all parties.

Thank you for your attention to this matter.

Sincerely,

Stefanie Medack
Capitol Credit Union