

From: Rock Valley Federal Credit Union, Diana Davidson
Subject: Reg Z - Truth in Lending

Comments:

To Whom It May Concern:

The purpose of this e-mail is to communicate compliance, cost and member impact concerns resulting from the recent amendment to TIL. I am in agreement with the 1st provision-the 45 day requirement for change in terms for credit cards, as well as the 2nd provision, the 21 day periodic statement requirement as it applies to credit cards. I believe this protects consumers from unfair credit practices. Credit Union's already adopted this practice, before being required to do so, which aligns with the Credit Union industry's philosophies and business practices. What I don't agree with is that the 21 day requirement as it applies to all open end consumer lending, not to mention the fact we have so little time to comply by the August 20th deadline. We are diligently working with our data processor to change due dates on all open end loans to comply, we don't have an answer if this can be accomplished by the deadline. This requirement also impacts our bottom line by requiring the production of more frequent statements and/or statement cycles, additional data processing costs to create additional programs for file maintenance to move due dates, mailing costs, etc. This change is also going to create confusion and probable misdirected ill will towards the Credit Union with our members, no matter how timely and detailed our communication is. It makes no sense to apply the 21 day periodic statement rule to open end loans. The payments for these loans do not change from month to month, nor does the payment due date change month to month, these are not revolving accounts.

From the time this provision was drafted until it was signed into law, a span of only 6 days, there were no hearings on this bill and no input was possible by credit unions or our affiliates. I urge you to consider the negative impact this amendment, as it applies to open end consumer lending, has on Credit Unions and our members, and amend this law to exclude open end lending.

Sincerely,

Diana Davidson
Rock Valley Federal Credit Union