

09-9445

National Credit Union Administration



Office of the Chairman

August 6, 2009

The Honorable Ben S. Bernanke  
Chairman  
Board of Governors of the Federal Reserve System  
Washington, D.C. 20551

Dear Chairman Bernanke:

I am writing to request you give every consideration to the significant costs and operational difficulty many credit unions will experience as they work to come into compliance with the Federal Reserve Board's recently issued interim final rule that implements the 21-day notice requirements of the Credit Card Accountability, Responsibility, and Disclosure (Credit CARD) Act.

Credit unions have been preparing and will likely be able to meet the requirements of the interim final rule with regard to credit cards by the effective date, August 20, 2009. Nevertheless, compliance for disclosures for other types of open-end credit is expected to be costly, and full compliance may take some months. I am sure you appreciate that, as a result of this rule, creditors are now vying with one another to tap the available vendors and resources to make these changes to meet the requirements of the interim final rule. As a result, the credit union industry, for which any additional regulatory costs are particularly burdensome, may experience difficulty in achieving full compliance, particularly in these uncertain economic times.

The preamble to the interim final rule acknowledges the difficulty some creditors may have with revising statements and disclosures for open-end credit other than credit cards and notes technical inconsistencies may appear on open-end credit statements for a short period of time. 74 Fed. Reg. 36077, 36081-82 (July 22, 2009). While the interim final rule tracks the statutory effective date set in the Credit CARD Act, I appreciate this acknowledgement that full compliance may not be possible by the effective date of the rule.

Thank you for any further consideration you can give to this important credit union issue.

Sincerely,

Michael E. Fryzel  
Chairman