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National Association of Federally-Insured Credit Unions

April 24, 2023

Comment Intake - Request for Information
Regarding Consumer Credit Card Market
Legal Division Docket Manager
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

RE: RFI Regarding Consumer Credit Card Market (Docket No. CFPB-2023-0009)

Dear Sir or Madam:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU) I am writing in response to the request for information (RFI) to solicit information from the public about a number of aspects of the consumer credit card market in accordance with Section 502(a) of the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act). NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve over 135 million consumers with personal and small business financial service products. NAFCU appreciates this opportunity to share our members' feedback on aspects of the consumer credit card market as well as the longer-term impact of the CARD Act on overall compliance costs and credit terms.

NAFCU recommends that the Bureau provide more regulatory clarity to encourage credit unions to adopt more efficient disclosure practices. To achieve this goal, credit unions should be allowed greater flexibility in providing necessary disclosures through online and mobile banking platforms. Additionally, NAFCU recommends several specific changes, such as extending flexibility for consumers to receive electronic disclosures and amending the timing requirements for disclosures. NAFCU also strongly cautions the Bureau against implementing rules that would jeopardize the ability of credit unions to continue their track record of offering affordable credit card products to underserved communities and special populations. NAFCU believes that the introduction of new rules pertaining to credit cards are unnecessary unless they replace existing stricter rules, given the industry's effective self-regulation and the high cost of compliance.

General Comments

Under section 502(a) of the CARD Act the Bureau is required to perform a biennial assessment of the consumer credit card industry. NAFCU's comments in this response are intended to advocate for two key principles: first, to ensure that credit union members receive clear and effective disclosures, and second, to provide credit unions with the flexibility they need to serve their communities efficiently by offering affordable credit products.

The Bureau last reviewed the state of the consumer credit card market in October 2020, during a time of economic uncertainty spurred by the COVID-19 pandemic. As the Bureau conducts its current review, it faces a different, but equally serious set of economic challenges. The nation struggles with inflation which, despite slowing, continues to drive up the cost of everyday consumer goods. Coupled with this is a dramatic reduction in household savings – during the height of the pandemic, government stimulus payments and fewer opportunities for consumer spending led to increased savings for many Americans. Since then, the savings rate has dropped from an average of around 9 percent before the pandemic to around 3 percent in the final quarter of 2022.[1] The one-two punch of pandemic impacts and an inflationary environment have the potential to threaten at-risk communities, straining the budgets and living situations of millions of lower-income households.

As the Bureau evaluates the information gathered in this request, it should be cognizant of its consumer-oriented goals and recognize that a rigid regime of disclosure based regulations will not save low-income families from financial hardship. Rather, allowing credit unions to focus on expanding access to credit, providing relief, and developing innovative credit products will go a long way in helping the nation continue on its road to recovery from the COVID-19 pandemic.

Credit union participation in the consumer credit card market is generally competitive, but credit unions face several challenges because of burdensome regulation and the lack of a level regulatory playing field. Credit unions have been successful in attracting and retaining credit card customers, particularly those who prioritize low fees, competitive interest rates, and personalized customer service. Credit unions often offer lower interest rates and fewer fees than larger banks and issuers, which is appealing to their members. Additionally, credit unions have been able to differentiate themselves in the credit card market by offering unique rewards programs and other features that cater to their members' needs and preferences. For example, some credit unions offer rewards programs that are focused on local businesses and community organizations, which can be particularly attractive to members who value supporting their local economy.

However, credit unions also face several challenges in the current credit card market. Substantial among these is the increasing dominance of larger banks and fintechs, which have greater resources to devote to marketing, technology, and compliance. This can make it more difficult for credit unions to compete on price and innovation and attract new credit card customers. Equally burdensome is the impact of regulatory requirements, such as those imposed by the Credit Card Accountability, Responsibility, and Disclosure (CARD) Act of 2009, which has increased compliance costs and limited the ability of credit unions to offer competitive interest rates and rewards programs. Additionally, credit unions face challenges in marketing and promoting their credit card products, as they may have more limited budgets for advertising and may not have the same level of brand recognition as larger issuers.

[1] Deloitte, "United States Economic Forecast" (March 15, 2023) *available at* https://www2.deloitte.com/us/en/insights/economy/us-economic-forecast/united-states-outlook-analysis.html.

Despite these challenges, credit unions continue to be important players in the credit card market. The Bureau has recognized, time and again, that credit unions hold a unique, and invaluable, place within the consumer financial services market for underserved or rural communities, and low-income consumers.[2] To ensure the financial stability of these groups and facilitate much-needed access to credit the CFPB should focus on granting flexibility in credit card disclosures and fostering an environment that encourages innovation. Furthermore, the Bureau must avoid implementing initiatives such as the reduction in safe harbor fee amounts for credit card late fees, as this could negatively affect communities by tightening credit and increasing industry consolidation while resulting in more expensive products and services to account for the lost revenue.

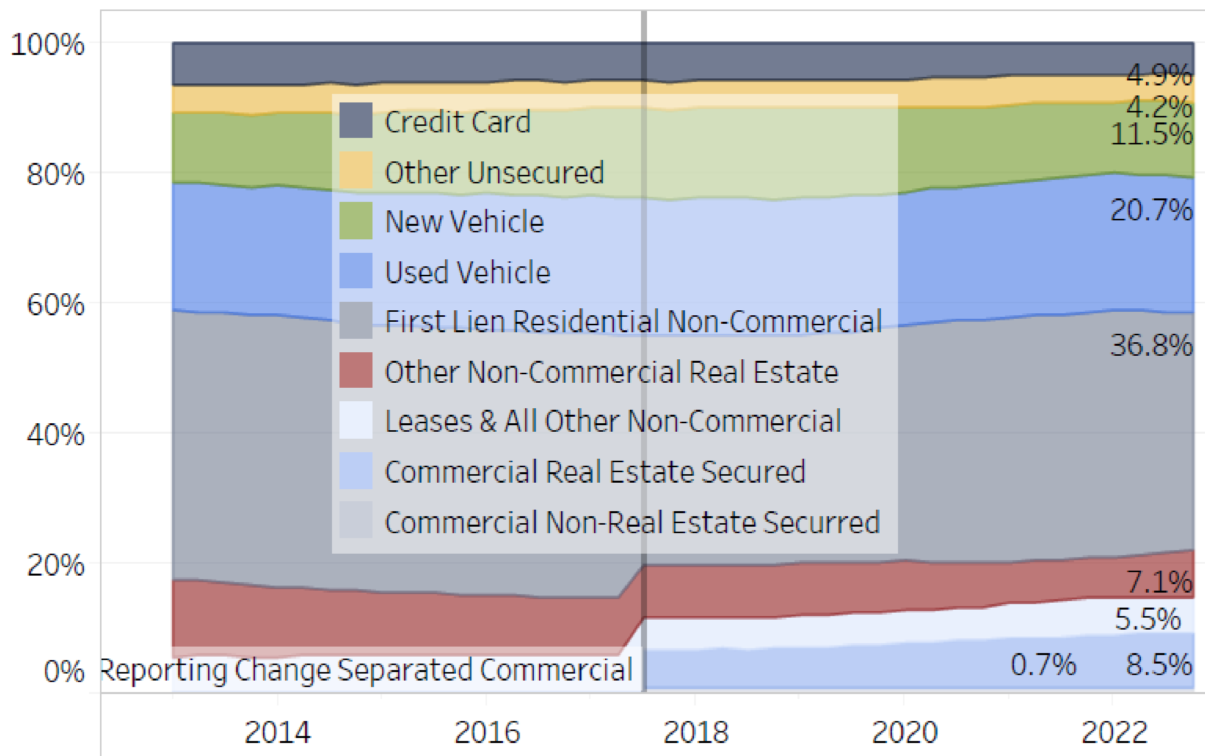
Credit Card Market

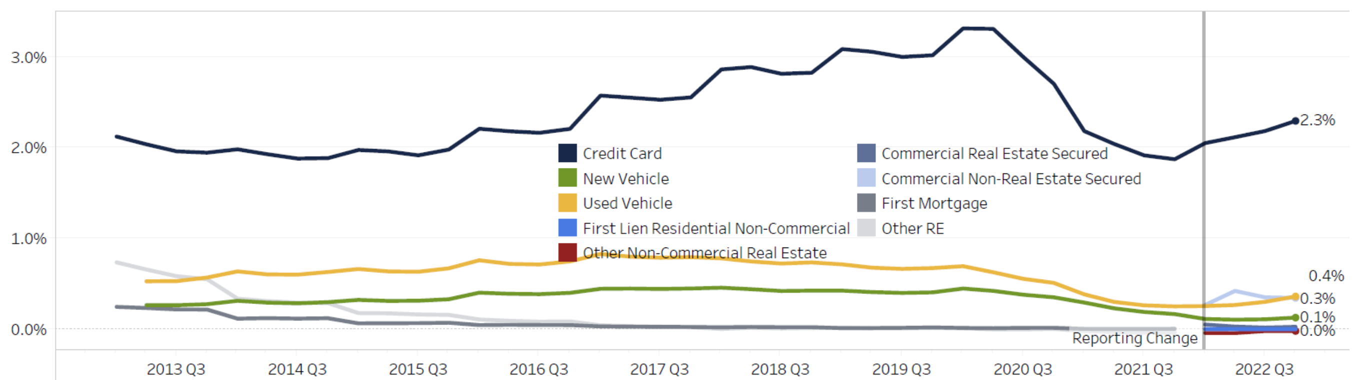
Consumer credit cards play an important role in credit union members' daily lives. At the end of 2022, total U.S. credit card debt reached $986 billion, according to the latest consumer debt data from the Federal Reserve Bank of New York.[3] This represents the highest total since the New York Fed began tracking this metric in 1999. It marks a $61 billion jump from $925 billion in the third quarter of 2022, making it the largest quarterly increase in the report's history.[4] In addition, average balances on credit cards increased to $5,910.[5] These increases represent something of a reversal after starting the prior year with significantly better credit and lower credit card debt. In the first quarter of 2021, credit card balances were a much lower $770 billion.[6] As we see the impact of government stimulus efforts intended to blunt the effects of the pandemic recede, macroeconomic factors affecting the economy as a whole—inflation, followed by interest rate increases designed to subdue it—also impacted consumers.

Credit unions are keenly aware of the financial stresses created by the pandemic and the current inflationary environment. Consistent with the industry's cooperative structure and mission, credit unions continue to provide access to affordable credit card products, including special payment accommodations, at lower interest rates than banks. Overall consumer demand for

[2] Credit Union Advisory Council Meeting, April 7, 2022; CFPB, "Data Spotlight: Challenges in Rural Banking Access" (April, 2022) *available at* https://files.consumerfinance.gov/f/documents/cfpb_data-spotlight_challenges-in-rural-banking_2022-04.pdf.
[3] Lending Tree, "2023 Credit Card Debt Statistics" (March 17, 2023) *available at* https://www.lendingtree.com/credit-cards/credit-card-debt-statistics/.
[4] Federal Reserve Bank of New York, "Household Debt and Credit Report Q4 2022" (December, 2022) *available at* https://www.newyorkfed.org/microeconomics/hhdc.
[5] Bankrate, "Average credit card debt in the U.S." (February 23, 2023) *available at* https://www.bankrate.com/finance/credit-cards/states-with-most-credit-card-debt/.
[6] *Id*.

credit increased significantly in 2022. According to the NCUA's December 2022 Call Report data, credit card balances rose $10 billion, or 15.6 percent, to $74.2 billion.[7]





[7] NCUA, "Quarterly Credit Union Data Summary 2022 Q4"(December, 2022) *available at* https://ncua.gov/files/publications/analysis/quarterly-data-summary-2022-Q4.pdf.

At the same time, current delinquencies on credit cards have risen. According to the NCUA's December 2022 Call Report data, the credit card delinquency rate rose to 148 basis points from 96 basis points one year earlier.[8] In recognition of the increased credit demand and rising delinquency conditions, the Bureau should avoid changes that would harm credit unions' ability to offer affordable credit products and restrict their ability to disincentivize delinquencies. Additionally, the Bureau should entertain changes to the regulations carrying out the CARD Act as the consumer credit card market evolves.

Cost and availability of consumer credit cards

Credit unions vary significantly in size and composition and this diversity carries over into the credit card market. NAFCU's March 2023 Monitor Survey showed that for the total number of consumer credit card accounts the average was 137,640 while the median was 14,603. With the dramatic rise in inflation and interest rates in 2022, lending conditions are starkly different than they were a year ago. According to NAFCU's 2022 Federal Reserve Meeting Survey, a net positive share of respondents indicated strong demand for credit cards, a significant departure from 2021. The share of respondents seeing credit quality as a significant challenge over the next three years increased over the 2021 survey result, but it remained comfortably below both 2019 and 2020.

Although loan performance remains high, credit unions are cognizant of volatile economic conditions and their potential impact. In last year's Federal Reserve Meeting Survey, respondents reported that they were easing credit standards across a number of loan products, particularly auto and mortgage loans. The trend toward easing credit standards did not carry through to the 2022 survey, as consumer loan standards were generally unchanged and commercial loan standards were tightened. Although credit unions may not be easing credit standards, they are tightening loan standards far less than banks. According to the Federal Reserve's *Senior Loan Officer Opinion Survey*, over the fourth quarter of 2022, a significant net share of banks reported tightening lending standards for credit card loans. Banks also reported tightening most queried terms on credit card loans. Specifically, moderate net shares of banks reported higher minimum credit score requirements as well as tightening both credit limits and the extent to which loans are granted to some customers that do not meet credit scoring thresholds.[9] This divergence is similar to what happened during and after the Great Recession, when banks reduced credit provision to households and small businesses, while credit unions were relatively more active lenders. The fact that credit union asset quality is so high during normal times allows them to maintain more steady lending standards during and after an economic downturn.

Credit unions continue to meet the demands for vital consumer credit card products and continue to act as responsible lenders—decreasing costs in terms of interest, delinquency, and

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[8] *Id*.
[9] Federal Reserve, "Senior Loan Officer Opinion Survey" (January 2023) *available at* https://www.federalreserve.gov/data/documents/sloos-202301-table1.pdf.

charge-off rates. In this context, we again ask that the Bureau consider easing CARD Act rules that require ability-to-pay analysis for secured credit cards. Credit unions have ample capacity to serve the credit needs of consumers who might not qualify for unsecured credit products, provided the Bureau is able to ease regulatory burdens.

Improvements to Reg Z

E-Sign Act Flexibility

The disclosure of rates, fees, and other cost terms of credit card accounts are critical to ensuring that consumers are able to make informed decisions about their credit card use. While there have been significant improvements in recent years, there are still further improvements that could benefit consumers and reduce costs for financial institutions. These include simplification of disclosures, consistent formatting, and integration of digital technology to further simplify the process of extending credit.

NAFCU members advocate for equitable and transparent credit products and services. Credit unions, as not-for-profit, cooperative financial organizations, prioritize delivering exceptional member service instead of generating profits for shareholders. As laws and technology change, credit unions have adapted their credit card practices. Despite facing increased competition from fintech companies and increasing regulatory costs, credit unions remain committed to prioritizing their members' needs by providing high-quality credit card products with lower-than-average interest rates and fee structures that are more favorable to members.

NAFCU has long advocated for rules that are more flexible when it comes to accepting electronic signatures and delivering electronic disclosures. However, cross-references within the Bureau's regulations to the Electronic Signatures in Global and National Commerce Act (E-Sign) Act have made it difficult to provide consumers with a seamless digital experience. During the pandemic, the need for flexibility in this regard became even more apparent, as the E-Sign requirements were preventing consumers from obtaining relief quickly. Financial institutions are still diverting valuable resources to comply with the E-Sign's consent process, which was created two decades ago when mobile banking and internet access were not as prevalent. Therefore, considering the advancements in technology and changes in consumers' financial habits, the Bureau should consider offering more flexibility related to the delivery of electronic disclosures.

At present, Regulation Z permits the delivery of most required disclosures electronically as long as consumer consent is obtained in accordance with the E-Sign requirements. However, on June 3, 2020, the CFPB issued temporary guidance that allowed creditors greater flexibility in obtaining consumer consent during oral telephone interactions.[10] Though the Bureau has since rescinded

[10] CFPB, "Statement on Supervisory and Enforcement Practices Regarding Electronic Credit Card Disclosures in Light of the COVID-19 Pandemic" (June 3, 2020) *available at* https://files.consumerfinance.gov/f/documents/cfpb_e-sign-credit-card_statement_2020-06.pdf.

this guidance, NAFCU suggests that the Bureau reevaluate and make this guidance permanent for all required disclosures by incorporating it into Regulation Z. Specifically, we envision a framework where disclosures may be provided electronically when the following is obtained: (1) the consumer's oral consent to the electronic delivery of written disclosures, and (2) an oral affirmation of the consumer's ability to access and review the electronic written disclosures. NAFCU believes that the Bureau can immediately implement this framework under existing authorities. Pursuant to section 7004(d) of the E-Sign Act, the Bureau may "exempt without condition a specified category or type of record from the requirements relating to consent in section 7001(c)."

This flexibility would encourage credit unions of all sizes to invest in updating their systems, processes, and procedures to obtain E-Sign consent orally. Ultimately, such investments would benefit consumers by providing them with a seamless engagement with their financial institution rather than a fragmented interaction in the service of an outdated electronic consent process.

Definition of "Written Application" Under Young Consumer Rules

NAFCU recommends that the Bureau clarify that the written application requirement for young consumers in Regulation Z can be satisfied by providing information orally during a telephone call, as long as the information collected is documented and retrievable. While official interpretations of Regulation B support this clarification for certain dwelling-secured credit, it is unclear from the CARD Act or Regulation Z whether a telephone application would fulfill the "written application" requirement, even if the creditor retains a recording of the application.[11] NAFCU's members have reported that many credit unions do not accept telephone applications from applicants under 21 to avoid violating this rule. However, this means that young consumers have to submit their applications through mail or branch visits, which can be inconvenient and delay access to credit. This requirement also clashes with the preference of younger consumers, who increasingly conduct and transact their financial lives via mobile or online avenues. A financial institution that requires the use of mail or in-person visits to branches in order to submit an application is likely to be significantly disadvantaged in attracting younger populations. Moreover, paper applications are generally reviewed, decided, and stored manually, which increases operational and regulatory burdens for credit unions. Therefore, NAFCU urges the CFPB to amend Regulation Z, Section 1026.51(b), to clarify that a "written application" can be taken over the telephone.

Timing of Disclosures

NAFCU is requesting that the Bureau align the timing requirements for disclosures under 12 CFR 1026.9(c)(2)(i)(B) with the "as soon as reasonably practicable" standard provided under 1026.9(c)(2)(v)(B)(1) for temporary rate or fee reductions offered by telephone. Currently, the more restrictive timing standard has caused regulatory uncertainty, which has affected

[11] *See* 12 CFR §1026.4(c), Supp I, comments 1, 2, and 3; §1002.13(b), Supp I, comment 2.

consumers' timely access to additional credit. For instance, when a consumer applies for and receives a line increase on a secured card over the telephone, the card issuer may place an immediate hold on additional funds that serve as collateral. The immediate hold enables card issuers to quickly approve the line increase request during the telephone call. However, delivering or mailing a written change in terms notice the same day may be impractical depending on the time of day the agreement took place. In such cases, a consumer's access to the additional credit line might be delayed until the written disclosure can be mailed or delivered the same day the additional hold on collateral is placed. NAFCU recommends amending the timing requirements for disclosures to allow written disclosures to be delivered or mailed "as soon as reasonably practical" after a telephone call to reduce regulatory uncertainty that might contribute to delays when processing certain consumer requests.

Cost of disclosures

As the Bureau evaluates the consumer credit card market and considers the potential for new disclosures, it should be cognizant of the costs that any new disclosure requirements would have for credit unions. The costs that credit union credit card issuers would incur in providing new changes in disclosures of rates, fees, and other cost terms of credit card accounts would vary depending on the size and complexity of the credit union, as well as the specific changes being made.

At a minimum these would include development and implementation costs. Credit unions may need to invest in new technology or software to produce the new disclosures, which can be costly. Additionally, staff may need to be trained to properly use these tools. Compliance costs would also increase, with credit unions needing to hire outside consultants or legal counsel to ensure that the new disclosures comply with all applicable regulations. Finally, costs associated with distribution and communication may increase as well as credit unions need to communicate the changes in disclosures to their members, which could involve marketing campaigns or other outreach efforts.

Obstacles to Entry

Credit unions often face several obstacles when launching a credit card product, including higher operational costs, limited resources for marketing and advertising, and a lack of established relationships with credit bureaus and payment processors. To overcome these obstacles, credit unions frequently adopt innovative strategies such as partnering with other credit unions or fintech companies to leverage their resources and expertise. They may also have to differentiate their credit card products by offering unique features or benefits that cater to their members, such as low-interest rates for individuals with excellent credit or rewards programs for frequent travelers.

In terms of supplementary credit card features, credit union issuers have been evolving their practices in response to changing consumer demands and regulatory requirements. For example, many credit unions offer contactless payment options, which allow consumers to make purchases without physically swiping or inserting their credit cards. Additionally, credit unions have been introducing more transparent pricing and fee structures, as well as expanding their fraud prevention measures to protect consumers' personal and financial information. While these changes have made credit card products more accessible, secure, and convenient for consumers, they are put at risk by misguided regulation such as the Bureau's Credit Card Penalty Fees proposal.[12]

Core Processors

The Bureau's RFI requests information on the state of innovation and competition within the consumer credit card market. Specifically, the Bureau wants to know what factors impact change or a lack of change. For credit unions, dealing with their core processor can represent a significant impediment to innovation and competition. While most credit unions have strong relationships with their core processors, the nature of the relationship between the two entities can result in friction, including problems associated with limited customization, high costs, integration challenges, limited support, and finally compliance concerns.

Smaller credit unions often face a significant power imbalance in terms of their bargaining power with credit card processors, as compared to larger financial institutions. This results in a reduced ability to negotiate pricing and fees with credit card processors. Credit card processors typically offer lower fees to larger financial institutions, as they process a larger volume of transactions, resulting in a lower cost-per-transaction. Smaller credit unions, on the other hand, may not have the same transaction volume, and as a result, may have to pay higher fees, reducing their profitability and potentially making it more difficult for them to compete with larger institutions. This extends to products and services as well – if a credit card processor requires a certain volume of transactions to offer certain features, a smaller credit union may not be able to meet that threshold, leaving its members with fewer options and potentially driving them to larger financial institutions.

Core processors often provide a standardized set of features and functionalities that may not be fully customizable to a credit union's specific needs. This can limit a credit union's ability to differentiate its credit card product from those of other issuers and may impact its ability to attract and retain customers. Additionally, working with a core processor can be expensive, especially for smaller credit unions that have limited resources. The costs associated with implementing and maintaining the technology needed to issue credit cards can be significant, which may make it difficult for credit unions to justify the investment.

[12] CFPB, "Notice of Proposed Rulemaking on Credit Card Penalty Fees (Regulation Z)" (February 01, 2023) *available* https://files.consumerfinance.gov/f/documents/cfpb_credit-card-penalty-fees-nprm_2023-01.pdf.

Integrating credit card issuance technology with a credit union's existing systems can be complex and time-consuming. This frequently requires significant resources and expertise, which may be difficult for smaller credit unions to access. Core processors may also provide limited support for credit unions, especially those with smaller portfolios. This can impact a credit union's ability to resolve technical issues and may result in longer response times to customer inquiries and complaints. Finally, credit unions are subject to a range of regulatory requirements when issuing credit cards, including those related to data security, privacy, and fraud prevention. Working with a core processor often requires credit unions to rely on third-party technology and processes that may not fully comply with these regulations, which can expose them to regulatory risk.

Special Populations

The RFI also asks about practices of credit card issuers that may uniquely affect special populations such as servicemembers and their dependents, low- and moderate-income consumers, older Americans, and students. Credit unions represent a much better option for these special populations seeking a credit card compared to big banks and fintechs. Credit unions have a mission to serve their members and communities, which makes them much more likely to offer credit products that are tailored to the needs of special populations.

Credit unions have a well-deserved reputation for offering lower interest rates and fees compared to big banks and fintechs. The median interest rate across all credit cards for March 2023 was 23.24 percent as compared to the drastically lower 11.96 percent average for credit unions in Q4 of 2022.[13] Credit union credit card fees are also significantly lower than those charged by big banks. In NAFCU's March 2023 Monitor Survey, respondents reported that the annual average fee per account was $7 as compared to $13 dollars for big banks.[14] In many cases, credit unions do not charge fees at all, eschewing common fee income that big banks charge such as application fees, annual fees, balance transfer fees, and over-the-limit fees. These data points make clear that for credit unions, the goal of offering credit products is to serve members well so that more consumers have access to credit. When fees are charged, they are used to offset the cost of collections and help higher-risk members gain access to credit. These favorable terms and this community-minded focus is particularly beneficial for special populations, who may have limited income and face higher financial stress.

In helping these populations, credit unions are more likely to offer financial education and counseling to their members than other financial institutions. US News found that credit union

[13] Investopedia, "Average Credit Card Interest Rate" (March 1, 2023) *available at* https://www.investopedia.com/average-credit-card-interest-rate-5076674; NCUA, "Credit Union and Bank Rates 2022 Q4" (December30, 2022) *available at* https://ncua.gov/analysis/cuso-economic-data/credit-union-bank-rates/credit-union-and-bank-rates-2022-q4.

[14] NAFCU March 2023 Economic and CU Monitor Survey; CFPB, "Notice of Proposed Rulemaking on Credit Card Penalty Fees (Regulation Z)" (February 01, 2023) *available* https://files.consumerfinance.gov/f/documents/cfpb_credit-card-penalty-fees-nprm_2023-01.pdf.

members were more likely to receive financial education compared to bank customers.[15] For example, many credit unions offer financial education programs, such as workshops and seminars, to help their members learn about credit and debt management. This is echoed by a recent NAFCU study in which 80 percent of respondents indicated that their credit union offers financial literacy resources that address how to avoid credit card fees.[16] Additionally, credit unions may offer credit products specifically designed for special populations, such as credit cards with lower credit limits or more flexible repayment options. These products are specifically designed by credit unions to be beneficial to older Americans and low-income consumers who may have limited income and need to manage their debt carefully. Finally, credit unions are more likely to offer secured credit cards, which can be a good option for students who are just starting to build their credit history or those with weak credit scores looking to rebuild their credit.

Credit Card Late Fees Proposal

Although credit unions provide an important source of affordable credit to special populations and underserved communities, their ability to do so is put at significant risk by increased regulatory burdens and arbitrary limits on their ability to assess fees. Specifically, the Bureau's proposal to amend Regulation Z by adjusting the safe harbor dollar amount for late fees to $8 and eliminate a higher safe harbor dollar amount for late fees for subsequent violations of the same type; eliminate the current provision for annual inflation adjustments for the safe harbor dollar amounts; and provide that late fee amounts must not exceed 25 percent of the required payment would place the ability of credit unions to offer credit card products in serious jeopardy.

Credit unions and small financial institutions rely on revenue from late fees to cover the costs associated with managing credit card accounts. A reduction in the maximum amount of late fees that can be charged would result in a loss of revenue for these institutions; revenue that is currently used for such worthwhile efforts as extending credit to at-risk borrowers, subsidizing credit builder products, and offering introductory rate programs. A cap on late fees would require a new cost-benefit analysis by credit unions and put all of these endeavors at risk. It would also increase the risk of losses for credit unions and small financial institutions, as it would become more difficult to recover the costs associated with managing delinquent accounts.

As credit unions and small financial institutions work to stay competitive in the consumer credit card market, they must invest in new technology and innovative features or risk obsolescence. The safe harbor reduction hampers the ability of credit unions to evolve and remain attractive to consumers. Credit unions and small financial institutions may face a competitive disadvantage compared to larger banks that have more resources to absorb the impact of the reduced safe harbor.

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[15] U.S. News, "The Pros and Cons of a Credit Union Versus a Bank" (March 15, 2019) *available at* https://money.usnews.com/banking/articles/the-pros-and-cons-of-a-credit-union-versus-a-bank.
[16] NAFCU March 2023 Economic and CU Monitor Survey.

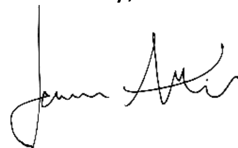
Credit unions prioritize the financial well-being of their members and work hard to inform their members of ways to avoid credit card late fees and notify them of upcoming payment due dates. The costs of such services, combined with pre-charge off collection costs, including expenses associated with mailing past due notices and calling members, exceed the current safe harbor amounts. Reducing the safe harbor fee amount to $8 would have a significant economic impact on a substantial number of small entities and the CFPB should immediately withdraw this proposed rule and convene a Small Business Regulatory Enforcement Fairness Act (SBREFA) panel to form a more complete understanding of the credit union business model and the impacts this proposed rule would have on smaller credit unions and their members.

The current safe harbor amounts are set at a reasonable level and should continue to be adjusted annually for inflation. The proposed changes would not meaningfully reduce consumer indebtedness, but would only harm smaller, community-based financial institutions like credit unions and their members who will experience tighter credit standards and reduced access to products and services. The proposal may also lead to increased consolidation among the nation's smallest financial institutions, who will find it increasingly difficult to compete with big banks. The Bureau should instead further study the market, including taking a closer look at the role of credit card payment processors and newer fintech lenders, before continuing to rush through this rulemaking process.

Conclusion

NAFCU appreciates the opportunity to share comments in response to the Bureau's RFI on the consumer credit card market. If you have any questions or would like additional information, please do not hesitate to contact me at 703-615-5109 or jakin@nafcu.org.

Sincerely,



James C. Akin
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