OHIO CREDIT
UNION LEAGUE

June 28, 2019

Comment Intake
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

Re: Request for Information Regarding the Remittance Rule
Docket No.: CFPB-2019-0018

To Whom It May Concern,

On behalf of Ohio's 262 credit unions serving more than three million members, the Ohio Credit Union League (OCUL) welcomes the opportunity to submit comments concerning the Consumer Financial Protection Bureau's (CFPB) request for comments regarding the 2012 Remittance Rule. OCUL strongly supports the CFPB reviewing the Remittance Rule.

The CFPB's rulemaking authority covers the electronic transfer of funds requested by a sender to a designated recipient (abroad) which is sent by a remittance transfer provider (commonly known as an international wire). The rule generally requires various items to be disclosed and for the corresponding amounts disclosed to be exact. The rule includes two exemptions:

- Temporary Exemption: Pursuant to the Dodd-Frank Act, the law authorizes an insured depository institution to estimate the exchange rate, back-end fees, taxes, and total funds to be received. The temporary exemption expires July 21, 2020.
- Permanent Exemption, otherwise known as the Normal Course of Business Threshold: Pursuant to the Remittance Rule, providers who make fewer than 100 remittance transfers in the prior calendar year and 100 or fewer remittance transfers in the current calendar year are not considered remittance transfer providers in the normal course of business. Thus, those entities are exempt from the rule.

While the purpose of the rule was to provide additional consumer protections to consumers who seek to transfer funds abroad, the agency's own research[1] indicates the rule has had the opposite effect by decreasing the availability of remittances at small financial institutions, like credit unions. Additionally, the Remittance Rule Report, published by the CFPB, states that through the Paperwork Reduction Act analysis, the rule resulted in an additional $102 million in compliance costs.

As the CFPB studies the Remittance Rule, OCUL request it focus on three high-level priorities:

1. Increase the "normal course of business" threshold from 100 to 1,000 remittance transfers in each of the prior and current calendar years. As the CFPB has acknowledged, financial institutions may limit their remittance services to stay under the threshold. Increasing the threshold would provide consumers more access to these services;

[1] Remittance Rule Report, Consumer Financial Protection Bureau (Oct. 2018) *available at* https://files.consumerfinance.gov/f/documents/bcfp_remittance-rule-assessment_report_corrected_2019-03.pdf.

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2. Eliminate the 30-minute cancellation requirement or provide consumers the ability to opt-out of the mandatory waiting period. Consumers, under the rule, have a 30-minute window to cancel a remittance transfer (orally or in writing) and receive a refund within three business days. This often inconveniences consumers due to a delay in processing to account for the 30-minute window and results in an increased programming costs for the financial institution. and,
3. Urge Congress to make the temporary exemption permanent before July 21, 2020.

Thank you for your consideration and for the opportunity to express these views to the CFPB. We appreciate the Bureau revisiting the Remittance Rule and considering how to appropriately tailor regulations to meet the needs of both consumers and financial institutions to contribute to a robust and productive financial services market. Should you have any questions, please feel free to contact us at 1-800-486-2917.

Sincerely,

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