CUNA
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Submitted via email

September 26, 2011

Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428
regcomments@ncua.gov

Re: Interim Final Rule, Part 701, Remittance Transfers, RIN 3133-AD94

Dear Ms. Rupp:

The Credit Union National Association (CUNA) appreciates the opportunity to comment on the National Credit Union Administration (NCUA) Board's interim final rule amending 12 C.F.R. § 701.30 with respect to "remittances transfers." By way of background, CUNA is the largest credit union advocacy organization in the country, representing approximately 90 percent of our nation's over 7,200 state and federal credit unions, which serve approximately 92 million members.

Section 1073 of the Dodd-Frank Wall Street Reform and Consumer Protection Act amended Federal Credit Union Act (FCUA) section 107(12), 12 U.S.C. § 1757(12), to add "remittance transfers, as defined in section 919 of the Electronic Fund Transfer Act" (EFTA) as an example of international electronic fund transfer services that may be provided by a federal credit union (FCU) to persons within its field of membership. Dodd-Frank Act section 1073 also amended the EFTA to create a comprehensive federal regulatory regime—administered by the Consumer Financial Protection Bureau—for "remittance transfers," which the EFTA defines to include most consumer-initiated cross-border electronic fund transfers that do not involve plastic cards. Prior to the Dodd-Frank Act, FCUs already had authority under FCUA section 107(12) to offer international electronic funds transfer services that meet the new EFTA "remittance transfers" definition to persons within their fields of membership under authority added to the FCUA by the Financial Services Regulatory Relief Act of 2006. The Dodd-Frank Act therefore did not change FCUs' authorized business activities but simply added "remittance transfers," as now defined by and regulated under the EFTA, as an example of a type of international electronic funds transfer service.

CUNA supports the interim final rule. The rule correctly recognizes that Congress intended the Dodd-Frank Act section 1073 amendments to the

FCUA to clarify that “remittance transfers” fall within FCUs’ preexisting authority to offer “international and domestic electronic fund transfers” to persons in the field of membership. CUNA also strongly agrees with the Board’s analysis that Congress’s deletion from FCUA section 107(12) of the express authority for persons within the field of membership to receive electronic funds transfers was simply to remove redundant language and has no substantive effect. Congress intended Dodd-Frank Act section 1073 to promote access to remittance transfer services and only removed this redundant language because FCUs’ statutory authority under section 107(12) to “sell” electronic fund transfer services clearly encompasses both sending and receiving funds since remittance and other electronic fund transfer services, by definition, include both the sending of and the receipt of fund transfers.

Thank you for the opportunity to comment on the NCUA Board’s interim final rule on remittance transfers. If you have questions about our comments, please feel free to contact CUNA SVP and Deputy General Counsel Mary Dunn, or me at (202) 508-6705.

Sincerely,

Michael S. Edwards
CUNA Senior Assistant General Counsel