



*League of Southeastern
Credit Unions & Affiliates*

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Gerard Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke St.
Alexandria, VA 22314-3428

Re: 12 CFR Part 740 - Accuracy of Advertising and Notice of Insured Status [RIN 3133–AE78]

12/1/2017

Mr. Poliquin,

The League of Southeastern Credit Unions and Affiliates (LSCU) appreciates the opportunity to comment on the proposed regulation on Advertising. LSCU supports the proposed changes and requests NCUA consider liberalization of communicating via social media. The League of Southeastern Credit Unions is a trade association that represents 260 credit unions in Florida and Alabama. Our mission is “to create an operating environment that enables credit unions to grow and succeed.” These specific regulatory changes comport with our mission by having a direct impact on reducing the costs associated with advertising on television and radio for credit unions.

We approve of the two primary changes to the regulations, which will simplify credit union operations: First, by allowing a credit union to use a fourth statement “Insured by NCUA” in advertising to indicate that deposits are protected by share insurance; Second, by increasing the time threshold from 15 to 30 seconds before a TV or radio advertisement must include an official advertising statement. These changes have the potential to decrease the costs and obstacles for credit unions to raise awareness of the benefits of membership and of the available products and services in their respective communities.

Regarding social media, we would like NCUA to allow credit unions to have as much flexibility as possible in communicating with their members (and communities) via social media and text message. The channels of communications for consumers have changed greatly in recent years and regulations have failed to keep pace with new technology and consumer demands. We have the following suggestions regarding social media:

1. NCUA should create (or allow) an emoji for insured status that can be included in tweets or text messages. The addition of a character at the end of the message would satisfy regulatory guidelines on promoting the protections of share insurance while allowing credit unions to take advantage of simple, cheap, and direct means of communicating with members (or other consumers).
2. The following comments regarding social media come from one of our affiliates, Avadian Credit Union. We agree with these recommendations:

“As it relates to the share insurance rule and social media, Avadian asks NCUA to consider the following recommendations:

- i. Website and Mobile Applications/Sites – require that the official advertising statement be on the home page only versus every single page.
- ii. Social Media
 - a. Postings - require that the official advertising statement be on the home/main page of the specific social media outlet versus requiring the official statement on every individual post or ad.
 - i. The social media companies such as Facebook and Twitter constantly change their character lengths, content algorithms, etc., leaving content to be scrutinized by the provider, as well as the regulator. By eliminating the official advertising statement in each post, it allows credit unions to provide a stronger message.
 1. Facebook: current character length is 125 characters. In addition, images that consist of more than 20% text experience reduced delivery.
 2. Twitter: current character length is 140 characters per tweet. If composing a Twitter ad, the length is reduced to 116 characters as 24 characters are used for the image when composing tweets in the ads.twitter.com workflow.
 3. Instagram: current character length cap is 125 characters.
 - a. The “official advertising statements” are lengths mentioned below absorb on average 24% of the message:
 - i. Federally Insured by the NCUA – 33
 - ii. Insured by the NCUA – 24
 - b. Advertisements on 3rd party advertising outlets
 - i. Require that the “official advertising statement” be one-click away versus including the official statement on every individual ad provided that the ad links to the FICU social media site or dedicated webpage containing the official statement.
 - iii. Additional Guidance
 - a. Avadian asks NCUA to consider the fact that social media and digital advertising is always evolving therefore the official guidance be broad enough to allow credit unions to adapt to these developing changes.

- b. As mentioned above, Avadian asks NCUA to be mindful of the technical requirements such as image format, maximum file sizes, caption lengths, image sizes, etc. that are current restrictions from the social media platforms.”

LSCU will continue to support NCUA’s efforts to reduce the regulatory burden on the credit union industry, which will end up helping us serve our members with innovative and affordable financial products and services. Please let me know if we can provide further information or assist NCUA in its efforts at reducing the heavy burden of regulations on our industry.

Sincerely,



Michael Lee
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League of Southeastern Credit Unions