



California
CREDIT UNION LEAGUE

NEVADA
CREDIT UNION LEAGUE

Filed via: <http://www.regulations.gov>

June 15, 2012

Consumer Financial Protection Bureau
Attention: PRA Office
1700 G Street NW.
Washington, DC 20552

Re: Collection of Information on Compliance Costs and Other Effects of Regulations

To Whom It May Concern:

On behalf of the California and Nevada Credit Union Leagues, I appreciate the opportunity to provide comments to the Consumer Financial Protection Bureau (Bureau) regarding the Bureau's plans to collect information on compliance costs and other effects of its potential new regulations, including those required under the Dodd-Frank Act. By way of background, the California and Nevada Credit Union Leagues (Leagues) are the largest state trade associations for credit unions in the United States, representing the interests of more than 400 credit unions and their 10 million members.

The Leagues believe it is critical that the Bureau understand and minimize potential implementation costs, ongoing compliance costs, and unintended consequences on credit unions due to new regulations issued by the agency. However, we must bring to the Bureau's attention that an important aspect of minimizing these burdens and costs begins with the initial crafting of the proposal and any accompanying questions or requests for information contained within it. We urge the Bureau use limited, targeted questions, as well as efficient information collection methods, to accomplish this. While the Bureau estimates that responding to the proposed information collection requests may take up to 90 minutes per response, we believe respondents will have to spend much more time to 1) read and understand the proposal; 2) analyze and research how the potential regulatory changes may affect their credit union, their members, and any third-party relationships; and 3) coordinate a response to the agency.

We suggest that the Bureau consider a more efficient method than broad inquiries. For example, sampling those institutions representative of the markets that may be affected by the Bureau's rulemakings would provide relevant compliance cost information—including quantitative data, qualitative information, anticipated costs, and estimated ranges of costs—without increasing additional burdens and costs on credit unions. Of course, the Bureau should utilize proper statistical and research methods to ensure a representative sample for each affected market to properly measure compliance costs. Other institutions that are not part of the sample should have an option to submit their information after reviewing the information collected from sampled

institutions. In addition, we understand that the Bureau collects information in a variety of ways, including structured interviews, focus groups, conference calls, written questionnaires, and online surveys. We urge the Bureau to be transparent in providing the details and results of the information collection, survey questions, and methodologies used.

As the agency is aware, a number of Federal laws require the Bureau to consider the benefits, costs, and impacts of its rulemaking actions, including the Regulatory Flexibility Act and Paperwork Reduction Act. Section 1022(b)(2)(A) of the Dodd-Frank Act also requires the agency to consider costs and benefits of rules to financial providers and consumers, including consumers in rural areas and credit unions and other depository institutions with total assets of \$10 billion or less. In doing so, the Bureau should also understand the potential impact of its regulatory changes on a financial institution's per unit cost of delivering financial services, the overall compliance costs for the institution, any other effects, and unintended consequences. This is particularly true of smaller credit unions with much more limited staff and resources. The Leagues strongly urges the Bureau to consider the high potential compliance costs on credit unions, especially smaller credit unions, with regard to the agency's proposed mortgage, remittance transfer, and other regulations.

In closing, I appreciate the opportunity to provide input on the Bureau's efforts to understand the very real, and growing, concerns regarding compliance costs and other effects of regulations. We look forward to working with the Bureau to help minimize these burdens on credit unions while ensuring that credit union members and consumers continue to have access to safe, responsible, and reasonably priced products and services. I welcome any questions you may have regarding our recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read 'Diana Dykstra', with a stylized flourish at the end.

Diana Dykstra
President/CEO

California and Nevada Credit Union Leagues