

# RIN Data

CFPB

RIN: 3170-AA22

Publication ID: Fall 2015

**Title:** Prepaid Accounts Under the Electronic Fund Transfer Act (Regulation E) and the Truth in Lending Act (Regulation Z)

**Abstract:**

Prepaid financial products are among the fastest growing types of payment instruments in the United States. The CFPB issued a proposed rule in November 2014 (published in the *Federal Register* on December 23, 2014) that would create comprehensive consumer protections for prepaid financial products under Regulation E, which implements the Electronic Fund Transfer Act, and Regulation Z, which implements the Truth in Lending Act. The proposal would expressly bring prepaid products within the ambit of Regulation E as prepaid accounts and create new provisions specific to such accounts. The proposal would modify Regulation E to establish disclosure requirements specific to prepaid accounts, would include an option for an alternative to Regulation E's periodic statement requirement and would apply Regulation E's limited liability and error resolution provisions to prepaid accounts, with certain modifications. Moreover, the proposal would generally require prepaid account issuers to post account agreements for prepaid accounts on their websites and require issuers to provide those agreements to the CFPB, which the CFPB would post on a Web site it maintains. Finally, the proposal would also contain amendments to Regulations Z and E to regulate prepaid accounts with overdraft services or credit features. Among other things, prepaid cards that access overdraft services or credit features for a fee would generally be credit cards subject to Regulation Z and its credit card rules. Moreover, the proposal would require that consumers consent to overdraft services or credit features and give them at least 21 days to repay the debt incurred in connection with using such services or features. Further, the compulsory use provision under Regulation E would also be amended so that prepaid account issuers would be prohibited from requiring consumers to set up preauthorized electronic fund transfers to repay credit extended through an overdraft service or credit feature. As the Bureau develops a final rule, it is reviewing and considering public comments on the proposed rule, consulting with other agencies, conducting additional consumer testing of certain disclosures, and preparing to support implementation and consumer education efforts.

**Agency:** Consumer Financial Protection Bureau(CFPB)

**RIN Status:** Previously published in the Unified Agenda

**Major:** Undetermined

**CFR Citation:** [12 CFR 1005](#) [12 CFR 1026](#)

**Legal Authority:** [15 U.S.C. 1604](#) [15 U.S.C. 1693b](#)

**Legal Deadline:** None

**Timetable:**

Action	Date	FR Cite
ANPRM	05/24/2012	<a href="#">77 FR 30923</a>
ANPRM Comment Period End	07/23/2012	
NPRM	12/23/2014	<a href="#">79 FR 77101</a>
Comment Period End	03/23/2015	
Final Rule	03/00/2016	

**Regulatory Flexibility Analysis Required:** No

**Federalism:** No

**Included in the Regulatory Plan:** No

**RIN Data Printed in the FR:** No

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**Priority:** Other Significant

**Agenda Stage of Rulemaking:** Final Rule Stage

**Unfunded Mandates:** No

**Government Levels Affected:** Federal, State