



CFPB REQUESTS INFORMATION ON CARD ACT RULES

On August 25, 2020, the Consumer Financial Protection Bureau (“CFPB”) announced a Regulatory Flexibility Act review of the Credit Card Accountability Responsibility and Disclosure Act (“CARD Act”) rules 10 years after they are enacted. The CFPB is seeking comment on two related, but separate, reviews.

First, the CFPB is seeking comment on the economic impact of the CARD Act rules on small entities so that it can determine whether the rules should be continued without change, or should be amended or rescinded, consistent with the stated objectives of applicable statutes, to minimize any significant economic impact of the rules upon a substantial number of such small entities. The CFPB will consider: (i) market structure and participants, (ii) credit card pricing structure and credit availability and (iii) other developments and innovations, specifically credit card agreements, use of digital account servicing platforms, new fixed payment features being offered and credit card payment rates. The CFPB is asking for comment on the following topics, among others:

- (1) The current scale of the economic impacts of the rules as a whole on small entities and of their major components on small entities, including impacts on reporting, recordkeeping and other compliance requirements;
- (2) Whether and how those impacts on small entities could be reduced, consistent with the stated objectives of applicable statutes and the rules; and
- (3) Current information relevant to the factors described above.

Second, the CFPB is conducting a review of the consumer credit card market and how the credit card market is functioning. Specifically, the CFPB is looking for comments on the following:

- (1) The terms of credit card agreements and the practices of credit card issuers;
- (2) The effectiveness of disclosure of terms, fees and other expenses of credit card plans;
- (3) The adequacy of protections against unfair or deceptive acts or practices relating to credit card plans;
- (4) The cost and availability of consumer credit cards;
- (5) The safety and soundness of credit card issuers;

- (6) The use of risk-based pricing for consumer credit cards; and
- (7) Consumer credit card product innovation.

Comments will be accepted for 60 days after the request for information is published in the Federal Register. If you would like additional information or assistance in drafting comments, please do not hesitate to contact us. ☐

FTC SEEKS COMMENTS ON FIVE FCRA RULES

On August 24, 2020, the Federal Trade Commission (“FTC”) announced it is seeking comment on several Notices of Proposed Rule Making that would make changes to five Fair Credit Reporting Act (“FCRA”) rules. The rules apply only to motor vehicle dealers: (i) Address Discrepancy Rule, (ii) Affiliate Marketing Rule, (iii) Furnisher Rules, (iv) Pre-Screen Opt-Out Notice Rule and (v) Risk-Based Pricing Rule. The FTC is seeking comment on the effectiveness of the five rules, including:

- (1) Whether there is a continuing need for specific provisions of each rule;
- (2) The benefits each rule has provided to consumers;
- (3) What modifications, if any, should be made to each rule to benefit consumers and businesses; and
- (4) What modifications, if any, should be made to each rule to account for changes in relevant technology or economic conditions.

Comments will be accepted for 75 days from the date the notices are published in the Federal Register. If you would like additional information or assistance in drafting comments, please do not hesitate to contact us. ☐

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