



May 29, 2020

**SENT VIA EMAIL TO:**  
**2020-RFI-Taskforce@cfpb.gov**

Comment Intake, CFPB  
1700 G. Street NW  
Washington, DC 20552

**RE:** Comments to Docket #2020-0013, To Assist the Taskforce on  
Federal Consumer Financial Law

Dear Sir/Madam:

I am writing on behalf of Suncoast Credit Union (Suncoast), a not-for-profit, cooperative financial institution that serves over 880,000 members across Florida. We are a federally insured state-chartered credit union with 71 branches and \$11.6 billion in assets. We appreciate the opportunity to comment on the RFI to assist the Taskforce on Federal Consumer Financial Law. Although we have not chosen to respond to all twenty-three questions, we have listed out those we wish to comment on below regarding improving and strengthening Federal consumer financial laws.

CFPB Seeks Answers to the Following:

***Expanding Access***

**3. To what extent do third-party applications raise new consumer protection risks that regulators should consider?**

We recommend regulators look at the risk exposure third-party applications raise for consumers as it relates to cybersecurity and fraud. There are applications that do not meet any type of security standards that are set forth to protect consumers' personal identifiable information.

***Consumer Data***

**7. The FCRA and its implementing Regulation V and the Gramm-Leach-Bliley Act and its implementing Regulation P. Are these sufficient to protect consumers' personal information?**

As bad actors continue to get smarter there is never a 100% guarantee of protection but the current multiple regulations on protection of this information is sufficient and somewhat overwhelming. There is no need for each state to begin creating their own privacy policies which just leads to more confusion and will make it very cumbersome on businesses that have

customers in multiple states. It will start to cripple companies that do a lot of business online, having customers in multiple states to try and determine when dealing with each person what the different rules are. There should be the federal standard only.

**8. The FCRA's implementing Regulation V requires that data furnishers implement and maintain reasonable written policies and procedures. Are these provisions designed to ensure accuracy sufficient?**

Yes, subpart E. Duties of Furnishers of Information Section 1022.42 outlines the requirements for the need of written policies and procedures relating to ensuring the accuracy of information and also provides guidance in Appendix E. This is sufficient and needs no further clarification relating to data furnishers (i.e. creditors, account holders, etc.)

***The Regulations***

**12. Uncertainty can increase compliance costs and litigation risk without benefitting consumers. Are there areas of significant ambiguity or inconsistency in the regulations? Where would regulations benefit significantly from increased clarity or harmonization—both with respect to the Bureau's regulations and with respect to overlap, duplication, or inconsistency with regulations issued by other Federal agencies?**

TCPA: The litigation and ambiguity of what is considered an autodialer within the TCPA has many courts giving inconsistent rulings. There needs to be clarity in this definition so there is no room for multiple interpretations. We need to be able to reach out to our members to serve their needs.

**13. Where have regulations failed to keep up with rapid changes in consumer financial services markets?**

Yes, the TCPA is one such act that has not been updated to match the technology environment we are in today. This was originally designed during a time when telemarketing was rampant and telephone carriers were charging for minutes used. It was also designed more for unsolicited telemarketing calls versus those that you had entered a relationship with (i.e. loan, account services, etc.). As more and more individuals have turned away from landlines and only have cellular phones which most have smart technology, the term auto dialer has not had an upgrade in definition. Additionally, this regulation makes it difficult to reach out to our members to assist them. The district courts still have differing opinions as to the interpretations within the TCPA and so this area continues to grow in uncertainty. We agree 100% that consumers/members should be protected and this act is needed but it does need a full review and update to match the times and its true intent.

**Are there new regulations that might be needed?**

Yes. As our industry continues to get more technology driven we do not have guidance or legislation surrounding Artificial Intelligence. We have several Bills currently in Congress (i.e. H.R. 2202 introduced into the House April 2019 and S.1558 introduced into the Senate in May

2019) but have had no movement other than one hearing by the House Financial Services Committee's Task Force on Artificial Intelligence on February 12<sup>th</sup> of this year. As our society demands advances in technology, we must look to ensure that we include advances in artificial intelligence. The United States is ranked 7th in the top 10 AI countries. We must continue to move forward and review bills that focus on our technology and its advancement.

**14. Some stakeholders favor regulations with specific requirement, such as one-size-fit-all approach. Others favor "principle-based" regulations, which can provide a company with flexibility but can create compliance uncertainty. Which approach is preferable, and does this depend on the industry, the statute, or other considerations?**

There should not be a one size fits all as each industry offers different products and services and has varying levels of complexity. However, there can be a way to be more principal based while leaving less room for uncertainty within the regulation.

#### ***Federal and State Coordination***

**16. Would it be beneficial to assign to one agency sole (or primary) responsibility for supervising or enforcing some or all the consumer financial protection laws?**

Credit Unions are regulated by NCUA and CFPB (\$10B+), and their state regulators. We believe that the NCUA and the CFPB serve the same purpose as it relates to credit unions. The better practice would be that the CFPB obtains their information on institutions from those others that regulate it. Example - Making the state regulators, the NCUA and the FDIC report their findings to the CFPB. Basically a regulator of the regulators versus the CFPB coming behind and doing the same review that was just completed by another examiner. Then if the CFPB found flaws in the process of the other regulators they could address or if they found that a particular institution was receiving findings that were of interest to them, they could complete a deeper dive if they felt necessary of the violating institution.

**Would having a single source of authority enhance or detract from competition and consumer welfare?**

We do not believe that the structure we have suggested above would detract from competition or consumer welfare and would allow the CFPB to focus on ensuring the other regulators were completing effective audits and then only investigating furthers those that have findings by other regulators or multiple complaints filed with them directly by a consumer/member.

**17. What are the costs and benefits to consumers and financial institutions of overlapping enforcement powers?**

The costs is the time spent preparing for the exams which is prepared for months in advance to ensure time to pull all the required data and complete all the requested questionnaires in advance of the exam. It also includes the time for Internal Audit and other business units to work with examiners for up to two weeks during the exam and any follow up after the exam. The efforts for preparing for these exams takes a number of resources that could be better spent on serving

our members and communities. Our suggested model in answer #16, would be a better use of our resources. However, if the CFPB would rather still complete full exams of the institutions themselves, we would recommend conducted joint exams. This is already a proven model as our current exams are conducted jointly with our state regulators and the NCUA.

### ***Improving Consumer Protection***

**20. What types of disclosures regarding consumer financial products or services are effective and what types are not? Could the content, timing, or other aspects of disclosures be improved?**

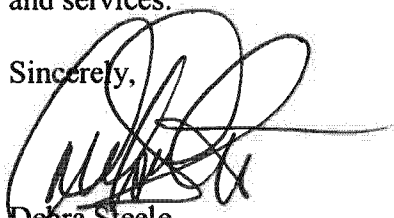
Reg X; 1024.17 - With regards to Escrow Account Statements and the definition of delivery. Delivery means the placing of a document in the United States mail, first-class postage paid, addressed to the last known address of the recipient. Hand delivery also constitutes delivery. We would like to see this regulation reviewed and updated to allow lenders to deliver these statements electronically. This will allow us the option to deliver these statements in the way the consumer prefers.

We believe that all disclosures should be allowed to be received electronically if that is the preferred method of the consumer/member.

### ***Conclusion***

In conclusion, we once again appreciate the opportunity to provide feedback regarding what could better assist us in protecting our members while still providing them with the best products and services.

Sincerely,



Debra Steele  
Vice President of Compliance  
Suncoast Credit Union

cc: Julie Renderos, SCU EVP/CFO  
Jacquelyn Gilbert, SVP Enterprise Risk Management

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