November 8, 2019

Office of the Executive Secretary
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

Re: Request for Information Regarding Tech Sprints; Docket No. CFPB-2019-0048

On behalf of the 2.2 million credit union members we represent, the Heartland Credit Union Association (HCUA) appreciates the opportunity to comment on the Consumer Financial Protection Bureau’s (CFPB or Bureau) comment period to identify opportunities to utilize Tech Sprints as a means to encourage regulatory innovation and collaborate with stakeholders in developing viable solutions to regulatory compliance challenges.

HCUA supports the CFPB’s potential use of Tech Sprints as an approach that inquires how technology might reshape compliance, speed effective interaction between regulators and financial institutions, and decrease cost and administrative burdens. Our association supports CFPB’s effort to use its authority to encourage innovation and collaboration using mechanisms like Tech Sprints so long as credit unions are given an equal voice in these efforts and any subsequent official actions consider the unique needs and not-for-profit structure of credit unions.

Responses to CFPB Questions to Consider:

1. **What regulatory compliance issues, problems, procedures, or requirements could benefit from innovation through a Bureau Tech Sprint?**

   Tech Sprints could be used to address technical compliance issues such as the use of the Bureau’s submission portals to submit credit card agreements or the submission of HMDA data. TILA-RESPA Integrated Disclosure (TRID) and HMDA Rule most likely would benefit from Tech Sprints.

2. **What financial technology or other advances hold the most promise for helping modernize regulatory compliance?**

   The decision to invest in a specific technology innovation should be done based upon the credit union’s resources and the needs of the membership. HCUA cautions the Bureau against requiring credit unions to use any specific technology or innovation as some credit unions may not have the available resources to invest in certain financial technology.

3. **What other suggestions do you have for how the Bureau could plan, organize, and conduct a Tech Sprint, including its participants, duration, and location?**

   HCUA supports the use of Tech Sprints if there is equal access to participation for credit unions. When assembling a Tech Sprint panel, credit unions need a seat at the table to ensure that credit unions have the ability to discuss regulatory challenges or the innovation initiatives.

4. **Other than organizing Tech Sprints, what else might the Bureau do to encourage innovation in financial products and services? For example, could advances be encouraged by changes to certain Bureau rules or policies?**

   The Bureau should reduce regulatory burden for financial institutions with lower risk profiles. Continuous regulatory changes are challenging for small credit unions because the fixed costs of compliance are proportionately higher for smaller-sized credit unions. Right-sized regulations would ensure small financial institutions have more resources available to invest in technology and the specific needs of their communities.
5. Are there any concerns that might discourage participation in Tech Sprints that the Bureau could address?

The Bureau should be inclusive to reflect the diverse needs of financial institutions by ensuring that participation in technology includes a wide net of financial institutions. This will promote a solution that will represent the needs of a variety of financial institutions in the market.

As always, we appreciate the opportunity to review this issue. We will be happy to respond to any questions regarding these comments.

Sincerely,

Brad Douglas
President/CEO