



Innovative Payments Association

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February 9, 2026

Submitted via E-Mail at: prainfo@occ.treas.gov

The Honorable Jonathan Gould
U.S. Comptroller of the Currency
400 7th St., SW, Suite 3E-218
Washington, DC 20219

**Re: Notice and Request for Comment: Regulation E - Prepaid Accounts
(OCC - 1557-0346)**

Dear Comptroller Gould:

This letter is submitted to the Office of the Comptroller of the Currency (the “OCC”) on behalf of the Innovative Payments Association (“IPA”),¹ in response to the OCC’s Notice and Request for Comment for Regulation E – Prepaid Accounts published in the federal register on December 16, 2025 (the “Request”),² as part of the agency’s continuing effort to reduce paperwork and respondent burden pursuant to the Paperwork Reduction Act of 1995.

The IPA’s members appreciate the opportunity to offer comments to the OCC and look forward to engaging with the OCC in its announced efforts to review, analyze, and modernize regulations for Regulation E - Prepaid Accounts offered by financial institutions.

As you know, the Consumer Financial Protection Bureau (“CFPB” or “Bureau”) issued the Prepaid Account Final Rule, (the “Prepaid Rule”) in 2016 and the rule went into effect in 2019.³ The Prepaid Rule’s scope covers a large swath of products that are popular in the current payments marketplace, including prepaid cards, mobile wallets, and Peer-to-Peer (“P2P”) payment products. In brief, the Prepaid Rule modifies Regulation E requirements to create tailored provisions for covered prepaid accounts governing disclosures, limited liability and error resolution, and periodic statements, and adds new requirements regarding the posting of account agreements. Additionally, the Prepaid Rule regulates overdraft credit features that may be offered in connection with covered prepaid accounts.⁴

We are writing today to urge the OCC to consider supporting substantive modifications to the CFPB’s Prepaid Rule with the achievable goal of modernizing the regulation to bring it in-line with current technology, practices, and adjacent regulations. The IPA encourages more coordination and collaboration

¹ The IPA is a trade organization that serves as the leading voice of the electronic payments sector, including prepaid products, mobile wallets, and person-to-person (P2P) technology for consumers, businesses, and governments at all levels. The IPA’s goal is to encourage efficient use of electronic payments, cultivate financial inclusion through educating and empowering consumers, represent the industry before legislative and regulatory bodies, and provide thought leadership. The comments made in this letter do not necessarily represent the position of all members of the IPA.

² 90 Fed. Reg. 58370 – 58371, Dec. 16, 2025.

³ 81 Fed. Reg. 83934 – 84387, Nov. 22, 2016.

⁴ <https://www.consumerfinance.gov/rules-policy/final-rules/prepaid-accounts-under-electronic-fund-transfer-act-regulation-e-and-truth-lending-act-regulation-z/>



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between the Bureau and other prudential banking regulators such as the OCC. Such coordinating can help to minimize confusion by preventing regulatory duplication, enhancing enforcement, and mitigating confusion for the payments community and consumers.

As you know, the Prepaid Rule, was written at a time before millions of Americans were using mobile phones as their exclusive tool communicate with other people, connect with the internet, conduct their day-to-day banking, and planning their financial futures. In fact, a clear reading of the Prepaid Rule reveals the CFPB's view (at the time) that covered products were not in fact the preferred access devices for personal banking. In short, the CFPB missed the mark.

Accordingly, as a result of the CFPB's inability to see the potential of covered Prepaid Accounts to be the preferred banking product of choice for millions of Americans, our members have been working with the Bureau on all aspects of the Prepaid Rule to recommend improvements to the regulation. Throughout the CFPB's rulemaking process, including, but not limited to, the submission of comment letters to the Bureau's Advanced Notice of Proposed Rulemaking on May 24, 2012, and the Bureau's Proposed Rule published on Dec. 23, 2014, the IPA has offered sensible and substantive suggestions that would preserve the intent of the regulation while also recognizing and acknowledging the technological advances made in the last 15 years. To date, these recommendations have not been reflected by changes to the regulation itself.

Therefore, our members continue to have concerns with certain aspects of the Prepaid Rule and respectfully request the OCC take into consideration our recommendations to streamline and modernize the Prepaid Rule. If implemented we steadfastly believe the recommendations below would ease the compliance challenges presented by the current regulations, while continuing to apply the same level of strong Regulation E consumer protections to Prepaid Accounts that apply to other transaction accounts today. Moreover, we believe these recommendations, if implemented, would be consistent with Executive Order 14192, "Unleashing Prosperity Through Deregulation," issued by President Trump on January 31, 2025.⁵

Please note that we have raised some, if not all, of the issues and concerns detailed below in our previous conversations, correspondence, and meetings with the Bureau regarding the Prepaid Rule.

IPA Responses to Feedback Requested by the OCC:

Requested Recommendations to Streamline or Modify Disclosures

The IPA urges the OCC to consider making the following recommendations to the CFPB. First, the IPA recommends that the CFPB take steps to remove the long form disclosure from the Prepaid Rule as it is redundant to information already provided to the consumer and, according to the Bureau's own research, is likely to overwhelm and confuse consumers when provided pre-acquisition. With certain exceptions, the Prepaid Rule continues to require an issuer to provide a consumer with both a short form fee disclosure and a long form fee disclosure prior to the acquisition of a prepaid account.

⁵ Available at <https://www.federalregister.gov/documents/2025/02/06/2025-02345/unleashing-prosperity-through-deregulation>.



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While the IPA agrees that the material fees for using a prepaid account should be disclosed to consumers prior to acquisition, we believe that the pre-acquisition process outlined in the current regulation will not achieve that goal. In particular, we note that in addition to the short form and long form disclosures required under the Prepaid Rule, a consumer obtaining a prepaid account will also receive a cardholder agreement, which will describe the terms and conditions of use, the fees associated with using the product, and any additional disclosures required under state law.

Given the information contained in the short form disclosure and the cardholder agreement, our members believe that the long form disclosure is simply redundant and that requiring issuers to provide consumers with yet another disclosure unnecessarily increases both industry costs and consumer confusion. Evidence for this latter point can be found in the Bureau's own research it conducted in advance of issuing its proposed rule in 2014.⁶ Specifically, the Bureau itself learned that consumers found the long form disclosure overwhelming and noted the likelihood that consumers may simply disregard the disclosure as follows:⁷

The Bureau does not believe consumers would necessarily benefit from receiving only this long form disclosure before acquiring a [P]repaid [A]ccount. In the Bureau's testing, for example, many participants reported feeling overwhelmed by the amount of information included on a prototype long form and they struggled to compare two long form disclosures, even those that listed identical fee types. The Bureau believes that the potential size and complexity of the long form might overwhelm and lead consumers to disregard the disclosure and also not use it to comparison shop across products or even to evaluate a single product.

In sharp contrast, the Bureau found that the fees already included in the short form disclosure were the most relevant to a consumer's purchase decision, noting that:⁸

[W]hen participants in the Bureau's consumer testing saw longer lists of fees during testing, they frequently cited one of the fees included on the short form disclosure as that which would most influence their decision about which prepaid product to acquire. In other words, testing participants were not relying on the additional information in the long form disclosure to make a decision. The results suggest that the participants would have reached the same decision reviewing a short form disclosure.

Based on the above, our members believe that the short form disclosure, when coupled with the more detailed cardholder agreement, provides consumers with a complete, sufficient and manageable disclosure, and the Bureau should revise the Prepaid Rule to dispense with the long form disclosure requirement altogether. Alternatively, if the Bureau is not willing to remove the long form disclosure requirement, then the IPA would respectfully request that the long form disclosure should, in all cases, only be required to be distributed online, over the phone, or by request for a written copy.

The Bureau should remove the requirements for electronic disclosures provided under the Prepaid Rule to be responsive to varying screen sizes and be machine readable

⁶ Available at https://files.consumerfinance.gov/f/201411_cfpb_regulations_prepaid-nprm.pdf.

⁷ *Id.*

⁸ *Id.*



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The Prepaid Rule requires that electronic disclosures provided to consumers be in a responsive form and viewable across all screen sizes. Our members have indicated that ensuring disclosures provided electronically are responsive across varying screen sizes creates significant technical challenges that make compliance overly difficult. Specifically, by requiring issuers to provide pre-acquisition disclosures responsive to screen size, the Prepaid Rule prevents use of common applications such as Adobe and Word and does not allow issuers to take advantage of emerging technologies, including, but not limited to, advanced mobile phones, that simply did not exist when the Prepaid Rule was promulgated in 2016. Instead, financial institutions must hard code disclosures. In the event of a change, the new disclosures would be cumbersome to develop and would be subject to stringent technical specifications. Yet the screen size responsiveness requirement does not add substantive value because consumers are used to maneuvering smaller screens. Moreover, the Prepaid Rule's level of specificity with regard to the manner in which electronic disclosures are made appears to be unique and not shared by other similar regulations for the financial services industry.

Given the compliance challenges presented and the fact that no similar obligation appears elsewhere, we ask the Bureau to remove the requirement that electronic disclosures be responsive to varying screen sizes from the Prepaid Rule and instead simply require that such electronic disclosures can be displayed on a screen.

In addition to being in a responsive form, the Prepaid Rule requires electronic disclosures to use machine readable text that is accessible via Web browsers, mobile applications and screen readers. Moreover, although the Bureau has not yet specified the format issuers will be required to use when submitting account agreements to the Bureau, it appears to be leaning towards a machine-readable requirement as well. Our members have highlighted a number of concerns with the Bureau's requirements for machine readable electronic disclosures and the submission of account agreements. With respect to electronic disclosures, our members have reported (formally and informally) on numerous occasions to the CFPB that complying with the "machine readable" requirement when creating the required disclosures has resulted in an unreasonable amount of unnecessary development work, without noticeable benefit to consumers, particularly when compared with a PDF solution, which our members note would be far easier to implement. Moreover, PDF files are screen reader accessible, work well with all devices, are printer friendly, can be saved or e-mailed easily, and are already familiar to consumers.

With respect to the Prepaid Rule's submission requirement, our members would like to highlight that credit card issuers submitting credit card agreements to the Bureau are not required to submit agreements using machine readable text and instead are permitted to e-mail PDF copies of agreements to the Bureau. Our members believe there is no reason for the Prepaid Rule to impose more difficult requirements on prepaid account issuers than are applicable to credit card issuers (not to mention traditional issuers of deposit accounts).

At a minimum, we respectfully ask that the OCC to urge the CFPB to revisit the submission requirements for institutions subject to the Prepaid Rule to ensure that prepaid and credit card issuers are treated similarly with respect to this requirement.

The Bureau should remove the short form disclosure for additional fee types as it is potentially misleading and not informative



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As part of the short form disclosure obligations, the Prepaid Rule requires issuers to disclose the number of additional fee types they charge with respect to a given program. Our members have reported certain concerns with making such a disclosure. For example, it may lead consumers to believe that a program that offers a larger number of optional features is more expensive than one that offers less flexibility. In addition, requiring issuers to make the disclosure regarding the number of additional fee types may also result in issuers eliminating innovative additional services that consumers may find useful in order to reduce the number of fee types listed on the short form. Finally, the requirement that the additional fee type disclosure be in bold type gives it undue prominence. Indeed, the number of additional fee types is no more meaningful or significant than any of the static fees on the form. Given these concerns we urge the OCC to recommend to the CFPB that this requirement be deleted from the Prepaid Rule.

The Bureau should modify the Prepaid Rule to require issuers to maintain no more than 12 months of account transaction history and remove the requirement that issuers provide written transaction histories to consumers upon request at no charge under the Prepaid Rule, an issuer must provide a written account transaction history for a prepaid account promptly in response to the consumer's oral or written request. The written history must cover at least 24 months prior to the date on which the issuer received the request. With limited exceptions, the issuer may not assess a fee for providing the written history provided the consumer only submits one such request per month.

The IPA appreciates your consideration of these comments. If you have any questions or wish to discuss this letter, please do not hesitate to contact me at: btate@ipa.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Tate', is written over a horizontal line.

Brian Tate
President and CEO
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