



June 8, 2017

Ashley Higgins
U.S. Department of Education
400 Maryland Avenue SW
Room 6W234
Washington, DC 20202

Docket ID: ED-2015-OPE-0020

Dear Ms. Higgins:

The National Association of College and University Business Officers is pleased to respond to the Department of Education's May 9 Request for Information (RFI) addressing disclosures for student financial accounts. NACUBO represents more than 2,100 public and nonprofit colleges and universities. Our primary members are chief financial officers and their staff, including bursars and student account professionals. The association is dedicated to promoting sound fiscal and administrative practices at campuses across the country. The National Association of Student Financial Aid Administrators and the Coalition of Higher Education Assistance Organizations join in these comments.

Providing clear, accurate information on options for receiving credit balance refunds is in the best financial interests of students and families. NACUBO recommends that ED provide two model disclosure formats: one for prepaid cards and one for bank accounts. Using the Consumer Financial Protection Bureau's (CFPB) format for prepaid cards makes sense, as this is now the industry standard for these devices.

While the model disclosure format developed by ED for bank accounts indeed includes the elements necessary to make informed decisions, it is just that—another disclosure format. The Pew Charitable Trusts developed a summary disclosure form that simply and concisely provides information on account features, terms, and fees. As of June 2015, more than 30 financial institutions—including the 12 largest banks—have adopted Pew's model disclosures.¹

Using Pew's disclosure format would ensure uniformity in banking disclosures and would allow students and families to compare bank accounts offered under T1 and T2 arrangements side-by-side with financial accounts that are not affiliated with a college or university. Similarly, using CFPB's format for prepaid cards under these arrangements makes it easier for students and families to make comparisons.

One of NACUBO's concerns is having higher education institutions maintain these disclosures in their account selection process. A system like this would require institutions to stay current with their banking partner's features and fees, and then update the school's website and selection menu with any changes. Instead, a selection menu with a link to the financial institution's website—which would house the disclosures—would allow students and families to have the most up-to-date information when making decisions on selecting an account. We note that §668.164(d)(4) does not specifically state that the

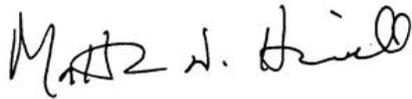
¹ <http://www.pewtrusts.org/en/multimedia/data-visualizations/2015/who-reads-40-pages-of-disclosures>

disclosures have to “live” on the school’s selection menu. Rather, the regulations read, “in describing the options under its selection process, the institution (2) must list and identify the major features and commonly assessed fees associated with each financial account offered...”

Finally, given that comments on the RFI are due June 8 and the safe harbor mentioned in §668.164(d)(4)(i)(B)(2) for the disclosure of features and fees using ED’s format begins on July 1, it would be helpful to delay this provision until January 1, 2018, to allow institutions and financial account providers additional time to implement the requirements. As is, there is simply not enough time for ED, schools, and financial institutions to develop and adopt a standard format.

Again, we appreciate the opportunity to comment on this RFI, and we look forward to answering any questions ED may have about our response. Please direct your questions to Anne Gross, vice president of regulatory affairs, at 202.861.2544 or agross@nacubo.org.

Sincerely,

A handwritten signature in black ink that reads "Matt Hamill". The signature is written in a cursive, slightly slanted style.

Matthew Hamill
Senior Vice President
Advocacy and Issue Analysis