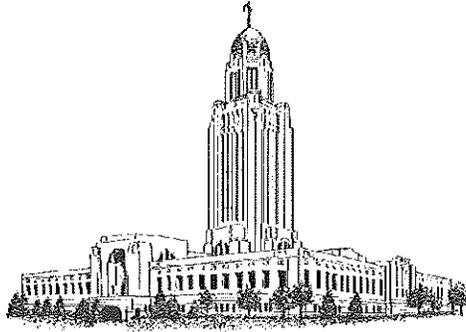


Nebraska State Legislature

SENATOR MIKE GLOOR

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Legislature's Planning

May 15, 2013

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
400 7th Street, S.W., Suite 3E-218
Mail Stop 9W-11
Washington, D.C. 20219

Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

Re: Docket ID OCC-2013-0005: Proposed Guidance on deposit Advance Products
Federal Deposit Insurance Corporation 6714-01-P

To Whom It May Concern:

As chairman of the Banking, Commerce and Insurance Committee of the Nebraska Legislature, I write to express my views regarding the Office of the Comptroller of the Currency (OCC) and Federal Deposit Insurance Corporation's (FDIC) recently proposed guidance on bank deposit advance products and to encourage the agencies to carefully consider consumers' need for a range of reliable short-term credit options. In particular, the agencies should closely examine any potential consequences of such regulations on consumers' ability to access credit when they need it. Consumers want and benefit from having more alternatives, not fewer, and this need is better served in a competitive marketplace.

I am concerned that expansive regulation as that under consideration, does not adequately address consumers' need for short-term credit or reflect their experience, nor does it get to the root of the financial challenges confronting many consumers. Providing effective financial safeguards for Americans while preserving access to credit should be the overarching goal of any new regulation.

The need for short-term dollar lending is clear. Millions of Americans continue to struggle to make ends meet, driving a need and demand for short-term credit.

When confronted with financial challenges, consumers examine their options, choosing the financial service that will help them overcome their challenges. A variety of competitive credit choices are available to them. Consumers also weigh their decisions against the costs and consequences associated with missing bill payments or submitting them late, including bounced checks, late payments to credit card companies, and utility connections.

Individual short-term credit options, from cash advances to overdraft protection, should not be examined or regulated in a vacuum or inconsistently. Any regulatory framework must: consider how consumers actually use the credit options available; include uniform disclosure requirements to ensure consumers are equipped with all of the information they need to compare similar services; and apply any regulations, including limits on the number and frequency of use, equally to all comparable products.

Regulations that randomly limit consumers' credit options risk a dangerous result. Consumers receive the greatest benefit from a competitive financial services marketplace, with a wide array of options, including overdraft protection and cash advances from banks and non-bank retail lenders. Restricting consumers' access to certain forms of short-term credit such as advance products stifles competition and does nothing to address their continued need for credit. Rules such as those proposed dictate winners and losers, rather than enabling a competitive marketplace. Requiring highly restrictive cooling off periods for advance products is unwarranted and counter-productive.

Consumers thrive in a competitive, regulated financial services market. Through the creation and enforcement of a level regulatory playing field, the OCC, FDIC, and other regulators can foster such an environment. As long as similar services are treated consistently, competition will rule the day, driving costs to the lowest point and providing the greatest benefit to consumers. I encourage the OCC and FDIC to develop fair regulation across short-term financial services, from deposit advances to overdraft programs, so that consumers will be empowered to make sound, informed financial decisions and attain greater financial security.

Sincerely,

A handwritten signature in black ink that reads "Mike Gloor". The signature is fluid and cursive, with the first name "Mike" and last name "Gloor" clearly legible.

Mike Gloor, Chairman
Banking, Commerce and Insurance Committee