

**SCHWARTZ & BALLEN LLP**  
1990 M STREET, N.W. • SUITE 500  
WASHINGTON, DC 20036  
[WWW.SCHWARTZANDBALLEN.COM](http://WWW.SCHWARTZANDBALLEN.COM)

**TELEPHONE**  
(202) 776-0700

**FACSIMILE**  
(202) 776-0720

**M E M O R A N D U M**

April 30, 2019

To Our Clients and Friends

Re: CFPB Remittance Rule Request for Information

The Consumer Financial Protection Bureau (“CFPB”) is requesting information concerning potential modifications to the CFPB’s Remittance Rule. The Remittance Rule establishes requirements for remittance transfers sent by consumers in the U.S. to recipients located in foreign countries under the Electronic Fund Transfers Act (“EFTA”).

Remittance transfer providers generally must disclose prior to and at the time the consumer pays for a transfer, the actual exchange rate and the amount the recipient is to receive. However, if a provider that is an insured institution is unable to know for reasons beyond its control, the amount of currency that will be made available to the recipient, the provider may disclose estimates of the exchange rate, certain third-party fees and the amount the recipient will receive. This exception, however, by law expires July 21, 2020, unless extended by Congress. The CFPB is interested in information regarding potential changes to the Remittance Rule that would mitigate the negative effects of an EFTA exception expiring in 2020.

The CFPB is also seeking information on whether to modify the safe harbor threshold in the Rule. The safe harbor exempts a provider from the Rule if it provides 100 or fewer remittance transfers in the previous and current calendar years. The CFPB is considering an exemption for small financial institutions because it has received many comments noting the Rule’s undue compliance burdens on such institutions.

Comments are due on June 28, 2019.

If you have any questions, please call Gilbert Schwartz, Robert Ballen, Heidi Wicker, or Victor Razon at (202) 776-0700.