



To: EFTA Members

From: Dennis Ambach

Re: Legislative Update — CARD Act & Prepaid

Date: July 15, 2010

The House and Senate have cleared legislation (H.R. 5502) for President Obama's signature delaying the effective date for compliance with the CARD Act's prepaid card disclosure and fee requirements to January 31, 2011 for those cards produced before April 1, 2010.

H.R. 5502 also requires prepaid issuers to meet several conditions in order to enjoy the delayed effective date. These conditions are listed here:

<http://www.govtrack.us/congress/bill.xpd?bill=h111-5502&tab=summary>

The legislation's net effect will prevent the destruction and reprinting of cards that could not meet the CARD Act's original August 22 deadline. These cards can continue to be sold for the 2010 holiday season if the conditions are met.

President Obama will likely sign H.R. 5502 into law in the coming days.