

OVERVIEW

# Regulation E and EFTA

COMPLIANCE  
PROFESSIONALS FORUM

iA insideARM



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## How to Use This Guide

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Our guide synthesizes best-practice information from our webinar, **Regulation E and EFTA: A Guided Tour of the Complex World of Consumer Payments**. As a companion to this report, you can watch the full video of the webinar here:

### [Regulation E and EFTA](#)

As appendices, you will find the slide deck from the webinar, as well as the transcript.

## Introduction: The Times They Are a-Changin’

These days, the paper check is quickly going the way of the dodo, and many collectors are giving debtors the option to pay via electronic payments. But this practice, which should theoretically make life easier on everyone, is creating new challenges and confusion for the ARM industry. The legal framework surrounding the collection and regulation of electronic payments is constantly changing, thanks in no small part to the guidance of the Consumer Financial Protection Bureau. So what is it that you need to know about collecting payments electronically?

In this guide, we’re going to give you the knowledge you need on a wide variety of electronic payments – what they are, how they differ, and how they’re regulated.

## Electronic Payments

Many people think of electronic payments as strictly referring to a payment that you make through an online portal, but the term really refers to a much wider variety of payments. Additionally, there are many different regulations that come into play here, such as:

- [The Electronic Funds Transfer Act \(EFTA\)](#)
- [Payment Card Industry Data Security Standards \(PCI-DSS\)](#)
- [The CFPB’s November 2015 Guidance Bulletin](#)
- [National Automated Clearing House Association \(NACHA\) Rules](#)
- State Laws and Regulations

What are some common electronic payments, and which regulations are relevant to each?

Electronic Payment	Regulation
Credit Cards	<a href="#">PCI-DSS</a>
Debit Cards	<a href="#">EFTA</a> / <a href="#">PCI-DSS</a>
Bank Transfers	<a href="#">EFTA</a> / <a href="#">NACHA</a>
Internet Website Transactions	<a href="#">EFTA</a> / <a href="#">NACHA</a>
Electronic Checks	<a href="#">EFTA</a>
NSF Fees	<a href="#">EFTA</a> / <a href="#">NACHA</a>

We’re going to go in-depth on the vast world of overlapping regulations that govern electronic payments, because they all differ in various ways.