JACK CONWAY
ATTORNEY GENERAL

May 30, 2013

Hon. Thomas J. Curry
Comptroller of the Currency
400 7th Street, SW, Suite 3E-218
Washington, DC 20219

Hon. Martin J. Gruenberg, Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Re: *Docket ID OCC-2013-0005: Proposed Guidance on Deposit Advance Products*
Docket ID FDIC-2013-0043: Proposed Guidance on Deposit Advance Products

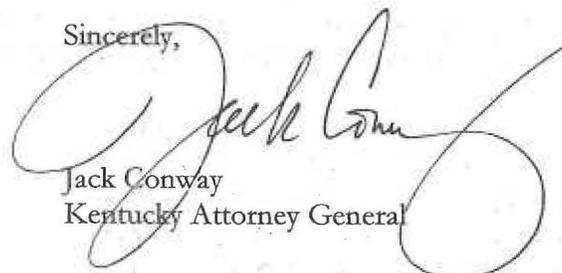Dear Comptroller Curry and Chairman Gruenberg:

As Attorney General for the Commonwealth of Kentucky, I write to express my concerns regarding your proposed guidance for deposit advance products offered by institutions subject to your regulation. In my role as chief law officer and consumer advocate in Kentucky, I am always looking out for consumers. The Office of the Attorney General strives to ensure that consumers are fairly and equally treated under Kentucky's Consumer Protection Act.

After reviewing your proposed guidance, I harbor some concern that this guidance might lead to the unintended consequence of pushing consumers in need of short-term capital into the hands of unregulated entities. There is little debate that many individuals and families need small loans from time to time, including many Kentuckians. Extensive demand for such small-dollar loans has been well documented. The OCC and the FDIC should consider if sufficient and effective alternative short-term credit products are in place before implementing the proposed guidance.

The Consumer Financial Protection Bureau (CFPB) also intends to act in the small lending area. Based on my experience working with this new federal agency, the OCC and FDIC might consider deferring such regulatory matters to this agency specifically tasked with protecting consumers who use such products.

Thank you for your consideration.

Sincerely,

Jack Conway
Kentucky Attorney General