

Game On: How the CFPB's EFTA and Regulation E Changes Could Shape Video Game and Online Marketplace Transactions

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The Electronic Fund Transfer Act (EFTA) and Regulation E apply to an electronic fund transfer (EFT) that authorizes a “financial institution” to debit or credit a consumer’s account. While a “financial institution” traditionally refers to a bank, credit union, or savings association, it is well established that “financial institutions” can also include non-bank entities that directly or indirectly hold an account belonging to a consumer, or that issue an access device and agree with a consumer to provide EFT services. Prepaid accounts and “other consumer asset accounts” into which funds can be deposited by or on behalf of the consumer and which have features of deposit or savings accounts, also meet Regulation E’s definition of “account.” Some video game accounts used to purchase virtual items from multiple game developers or players may fall under the definition of “other consumer asset accounts.”

In April 2024, the Consumer Financial Protection Bureau (CFPB) issued a [report](#) on the banking and payment services becoming more prevalent in gaming and virtual worlds where consumers spend billions of dollars annually to purchase gaming assets—often by converting U.S. dollars to virtual currencies. The report raised concerns about consumer protections and the uncertain allocation of responsibility for errors or fraud when a customer’s digital currency or assets are lost through hacking, account theft, scams, or unauthorized transactions.

Recent Developments

Following that report, on **January 10, 2025**, the CFPB issued a [proposed interpretive rule](#) that aims to expand the scope of Regulation E’s coverage to video game platforms that hold consumers’ money for personal, family, or household use and treat those game platforms as if they are account holders just like a bank or credit union for Regulation E purposes.

The interpretive rule expands on what constitutes an EFT, particularly for new payment methods

such as peer-to-peer payment platforms and digital wallets. This expansion includes transfers initiated through apps and payment systems tied to consumer accounts. The key is whether the funds act like or are used like money, such that they are accepted as a medium of exchange, a measure of value, or a means of payment.

The interpretive rule would also clarify that video game companies operating online marketplaces or otherwise facilitating EFTs would be subject to the consumer protection provisions under Regulation E, namely investigation and error resolution obligations. Additionally, the interpretive rule would require a video game company to disclose the terms and conditions of EFT services.

Next Steps

The CFPB is soliciting comments from the gaming community for this proposed interpretive rule, which must be sent via email to 2025-Emerging-Payments-Interpretive-Rule@cfpb.gov on or before **March 31, 2025**.

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