



Credit Union National Association

cuna.org

**DANIEL A. MICA**  
PRESIDENT & CEO

601 Pennsylvania Ave., NW | South Building, Suite 600 | Washington, DC 20004-2601 | **PHONE:** 202-638-5777 | **FAX:** 202-638-7734

March 31, 2009

The Honorable Luis Gutierrez  
Chairman  
Subcommittee on Financial Institutions  
and Consumer Credit  
Committee on Financial Services  
United States House of Representatives  
Washington, DC 20515

The Honorable Jeb Hensarling  
Ranking Member  
Subcommittee on Financial Institutions  
and Consumer Credit  
Committee on Financial Services  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Gutierrez and Ranking Member Hensarling:

On behalf of the Credit Union National Association, I am writing regarding tomorrow's mark-up of H.R. 627, the Credit Cardholders' Bill of Rights Act. CUNA represents nearly 90 percent of America's 8,000 credit unions and 90 million credit union members.

We appreciate the opportunity that we have had to testify regarding this legislation, as well as the willingness that you and your staff have conveyed to consider improvements to the legislation. The manager's amendment that you intend to offer at tomorrow's mark-up will bring this measure more closely in line with final Reg. Z and Unfair and Deceptive Practices Act (UDAP) regulations issued last December by the Federal Reserve, Office of Thrift Supervision, and the National Credit Union Administration.

As we noted in our testimony, we have great concern with the effective date of this legislation as introduced. We understand that in addition to the manager's amendment, you will offer an amendment to extend the effective date from three months to one year after enactment or June 1, 2010, whichever comes first. CUNA supports this amendment: With this change, credit unions can continue to prepare to comply with the new regulations—without the additional cost associated with expediting compliance—while providing their members with the financial tools and services on which they rely.

As your Subcommittee and the full Committee move forward with this legislation, we strongly urge you to continue to improve this bill for credit unions by giving small issuers flexibility with respect to the types of notification systems that they are required to maintain.

H.R. 627 would require creditors to provide cardholders, in each periodic statement, a telephone number, Internet address, and website address at which the cardholder may request the payoff balance on the account. Most credit unions already provide a telephone number but should not be required to also provide an Internet address and website since not all credit unions have interactive Internet capabilities. We hope you will consider additional flexibility in this area.



PO Box 431 | Madison, WI 53701-0431 | 5710 Mineral Point Road | Madison, WI 53705-4454 | **PHONE:** 608-231-4000

The Honorable Luis Gutierrez  
The Honorable Jeb Hensarling  
March 31, 2009  
Page Two

While most credit unions do not typically engage in the practices covered by H.R. 627, we are supportive of efforts to eliminate these predatory practices and look forward to continuing to work with you on this legislation. On behalf of America's credit unions, we appreciate your consideration of our views.

Sincerely,

A handwritten signature in black ink that reads "Daniel A. Mica". The signature is written in a cursive style with a large initial "D" and "M".

Daniel A. Mica  
President & CEO

CC: Chairman Barney Frank  
Ranking Member Spencer Bachus  
Members of the Financial Institutions and Consumer Credit Subcommittee