

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

June 23, 2008

The Honorable Barney Frank Chairman Committee on Financial Services United States House of Representatives 2129 Rayburn House Office Building Washington, DC 20515

Dear Chairman Frank:

On behalf of the Credit Union National Association (CUNA), I am writing in support of the King amendment to H.R. 5767, the Payment System Protection Act. CUNA is the nation's largest credit union advocacy organization, representing 90% of our nation's approximately 8,300 state and federal credit unions, which serve over 90 million members, and state credit union leagues.

As introduced, H.R. 5767 would place a moratorium on the implementation of regulations enforcing the *Unlawful Internet Gambling Enforcement Act* proposed by the Department of Treasury and the Federal Reserve Board. CUNA strongly opposes these proposed regulations and supports both H.R. 5767 as well as the King amendment in the nature of the substitute.

While the King amendment does not represent a permanent moratorium on the implementation of these proposed regulations, it is a good step in the right direction. It requires the Department of Treasury and the Federal Reserve to engage in a two-part formal rulemaking process. The first rulemaking process would define the term, "unlawful Internet gambling," which is defined neither in UIGEA nor in the regulation. The second formal rulemaking process requires the Department of Treasury and the Federal Reserve to write a new regulation and mandates that the Treasury must compile and maintain a list of unlawful internet gambling sites, similar to the Office of Foreign Assets Control (OFAC) list. This would make the regulatory burden associated with UIGEA slightly less burdensome for credit unions.

We urge adoption of the King amendment and passage of the bill.

Sincerely,

Daniel A. Mica President & CEO

cc: The Honorable Peter King

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