



Credit Union National Association

cuna.org

BILL CHENEY
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December 12, 2012

President Barack Obama
The White House
1600 Pennsylvania Ave, NW
Washington, D.C. 20500

Dear President Obama:

On behalf of the Credit Union National (CUNA), I am writing regarding H.R. 4367, which passed the House of Representatives July 9, 2012 by a vote of 371-0 and by unanimous consent in the Senate on December 11, 2012. CUNA is the largest credit union advocacy organization in the United States, representing nearly 90% of America's 7,000 state and federally chartered credit unions and their 95 million members. CUNA strongly supports enactment of this bipartisan legislation, and we urge you to sign the bill.

The Electronic Funds Transfer Act and its implementing rule, Regulation E (12 CFR 205.16), require ATM operators to provide two separate notices to consumers regarding the imposition of a fee for the use of the ATM, by both electronic and physical disclosure. If a physical placard is not attached, the statute prescribes that in a successful class action, plaintiffs are entitled to recover "the lesser of \$500,000 or 1 per centum of the net worth of the [ATM operator]", plus attorneys' fees and costs. This has led unscrupulous individuals to remove the physical placard and sue the ATM operator for noncompliance, costing financial institutions hundreds of thousands of dollars. The threat of lawsuits has caused many credit unions to go to extraordinary steps to document compliance, increasing the cost of operating ATMs to the detriment of credit unions' member-owners.

If enacted, H.R. 4367 would protect credit unions and other ATM operators from vexatious lawsuits while at the same time maintaining important consumer protections. This legislation would eliminate the requirement that a physical disclosure be placed on the ATM. It would preserve the requirement that consumers are notified of potential fees associated with an ATM transaction through an electronic disclosure, to which they must make an affirmative opt-in to accept such fees.

On behalf of America's credit unions and their 95 million members, we strongly support this legislation and respectfully request your signature for enactment into law. Thank you for your consideration.

Most respectfully,

A handwritten signature in black ink, appearing to read "Bill Cheney", with a long, sweeping underline.

Bill Cheney
President & CEO



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