



National Association of Federal Credit Unions
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Fred R. Becker, Jr.
President and CEO

May 19, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

Re: Oppose SA 4085 to S. 3217, the *Restoring American Financial Stability Act of 2010*

Dear Leader Reid and Leader McConnell:

I am writing on behalf of the National Association of Federal Credit Unions (NAFCU), the only trade organization exclusively representing the interests of our nation's federal credit unions, regarding the amendment numbered SA 4085 to S. 3217, the *Restoring American Financial Stability Act of 2010*, which would limit fees charged at automated teller machines (ATMs).

Currently, consumers of financial institutions can use ATMs owned by that institution for free. An ATM fee is only incurred if using an ATM from an institution for which you are not an account holder. These fees help to cover the cost of machine installation, maintenance, and security incurred by the ATM owner, particularly in rural areas where there may be fewer banking institutions and fewer ATMs. Additionally, ATM fees serve as a deterrent from non-account holders emptying ATMs of cash, increasing operating costs and inconveniencing account holders.

SA 4085 would allow the Bureau of Consumer Financial Protection to impose a limitation on fees charged by ATM operators. A reduced fee may not reflect the additional costs associated with maintaining an ATM and protecting one's own customers or members and the money they hold in a particular institution. An arbitrary cap on ATM charges could ultimately force many financial institutions, including credit unions, to close their automated machines, to the detriment of their customers and members. NAFCU therefore asks that you oppose SA 4085 in its current form.

We thank you and your staff for your work on this amendment as the Senate takes up comprehensive financial regulatory reform. If we can answer any questions or provide you with further information on this matter, please do not hesitate to contact me or NAFCU's Director of Legislative Affairs, Brad Thaler, at 703-842-2204.

Sincerely,

Fred R. Becker
President/CEO

cc: Members of the United States Senate