



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

March 30, 2010

The Honorable Christopher J. Dodd
Chairman
Committee on Banking, Housing
and Urban Affairs
United States Senate
Washington, D.C. 20510

The Honorable Richard C. Shelby
Ranking Member
Committee on Banking, Housing
and Urban Affairs
United States Senate
Washington, D.C. 20510

Dear Chairman Dodd and Ranking Member Shelby:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only national trade association exclusively representing the interests of our nation's federal credit unions, I am writing to you regarding provisions regulating the transfer of remittances in the Manager's Amendment added to the Committee Print of the *Restoring American Financial Stability Act of 2010*, and how they would affect credit union international wire transfer services.

We are pleased that a number of NAFCU-member credit unions currently offer international electronic funds transfer services to their members, other than traditional money remittance services. Credit unions provide a lower-cost and better alternative to non-traditional money transfer companies, who often offer poor exchange rates and impose exorbitant fees on their customers. We believe it is imperative that any legislative approach to the issue of money remittances not discourage credit unions from continuing to offer international wire transfer services and developing payment systems that can communicate across borders.

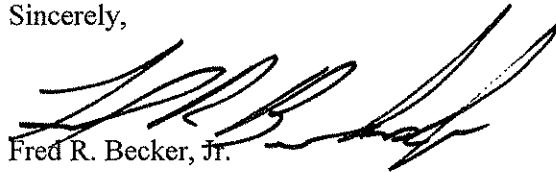
Unfortunately, as currently revised by the Manager's Amendment, Section 1076 of the *Restoring American Financial Stability Act* would impose a number of new burdens on credit unions that provide international electronic transfer of funds services during their normal course of business. NAFCU is concerned that the overly broad definition of a "remittance" would affect all international electronic transfers of funds, including those that are not in fact transfers of money from immigrants in the United States back to their families in other countries. As such, the language of Section 1076 of the *Restoring American Financial Stability Act* would create significant additional burdens on any credit union that offers international wire transfer services to its members, by imposing several new regulatory and disclosure requirements. If enacted, these requirements could ultimately force credit unions to terminate their international electronic transfer programs, and oblige their members to seek these same services at more costly non-traditional financial institutions.

In light of these concerns, NAFCU encourages you to narrow the scope of the definition of a "remittance" to exclude those international electronic funds transfer services that are not conventional money transmissions. We look forward to working with the Committee to address this important issue.

The Honorable Christopher J. Dodd
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Thank you for the opportunity to share NAFCU's views regarding this matter. If you have any questions, or if we can be of further assistance to you or your colleagues in the consideration of issues related to international electronic funds transfer services, please do not hesitate to contact myself or NAFCU's Director of Legislative Affairs, Brad Thaler, at (703) 842-2204.

Sincerely,



Fred R. Becker, Jr.
President/CEO

cc: Members of the Senate Committee on Banking, Housing and Urban Affairs