



May 11, 2010

The Honorable Christopher J. Dodd
Chairman, Senate Committee on Banking, Housing and Urban Affairs
448 Senate Russell Office Building
Washington, DC 20510

The Honorable Richard C. Shelby
Ranking, Senate Committee on Banking, Housing and Urban Affairs
110 Senate Hart Office Building
Washington, DC 20510

RE: Opposition to Harkin Amendment #3812 (ATM fees) to S. 3217

Dear Chairman Dodd and Ranking Member Shelby,

We are writing to convey strong industry opposition to Sen. Tom Harkin's proposed amendment to cap ATM transaction fees at 50 cents. Such action would deny consumers the convenience and choice upon which they depend when receiving cash any time and place they need. In the United States alone, approximately 425,000 ATMs provide convenient, reliable access to cash. Artificially restricting the marketplace will result in far fewer ATMs and deprive consumers of choice, convenience and industry innovation. Other unintended consequences of the amendment could include widespread lay-offs in the ATM industry, particularly in the manufacturing and off premise sectors.

Consumers demand, and are willing to pay for, convenience. Yet, consumers know that they can avoid ATM transaction fees by availing themselves of the myriad surcharge free options available in the marketplace. These include but are not limited to, using their own bank's ATMs, patronizing surcharge free networks, and receiving cash back at the point of sale. Federal law requires that any transaction fee be disclosed before the consumer can continue with a transaction. Consumers are smart, informed and make choices that best suit their circumstances.

The marketplace, not the United States Congress, should set the pricing for this valuable service across a truly vast US ATM industry. We oppose this amendment that would interfere with consumer choice, market forces and ATM technological innovation.

About the Associations

Our respective members are responsible for all aspects of the 14 billion ATM transactions that dispense over a trillion dollars to US consumers each year.

The Electronic Funds Transfer Association (EFTA) is a non-profit, inter-industry trade association dedicated to the advancement of electronic payments systems and commerce. EFTA's diverse membership includes ATM networks, manufacturers, owners and processors; card organizations, technology companies, and financial institutions.

The ATM Industry Association (ATMIA) is a global, non-profit trade association with over 1,500 members in 50 countries. Its mission is to promote ATM convenience, growth and usage worldwide, protect the ATM industry's assets, interests, good name and public trust; and provide education, best practices, political voice and networking opportunities for member organizations.

Sincerely,

Kurt Helwig
President & CEO, EFTA

Mike Lee
CEO, ATMIA

Electronic Funds Transfer Association

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