

Dear Colleague:

Last month we introduced H.R 4367, a bill to update the Electronic Funds Transfer Act (EFTA) by changing the requirements for fee disclosures on ATMs. As you know, under current law all ATM operators are required to display both a physical placard and provide an electronic disclosure of a fee that an ATM user may incur.

Recently, some individuals have found it advantageous to remove the physical placard and sue (or threaten to sue) financial institutions and merchants for noncompliance of the requirement. This is despite the fact that the electronic disclosure goes above and beyond the physical disclosure in that it not only informs the user there is a fee, but what that fee is, and then requires the user to affirmatively accept the fee.

The Consumer Financial Protection Bureau (CFPB) -- which has inherited jurisdiction over Regulation E and the Electronic Funds Transfer Act -- has also expressed interest in eliminating the duplicative fee disclosure requirement. In December 2011, the CFPB asked the public to comment on the elimination of the requirement. However, when it requested comments, the CFPB admitted that it may not be able to eliminate the duplicative fee disclosure requirement until Congress passes legislation eliminating the requirement because the underlying statute requires both (1) a physical placard on the ATM stating that a fee might be imposed at that machine and (2) a notice on the ATM video monitor that discloses the amount of the fee (if any) and provides an opportunity to cancel the transaction once the amount is disclosed. Our bill would eliminate the requirement for a physical placard but would leave the video monitor disclosure requirement intact.

Our bill eliminates an outdated and unnecessary regulatory burden on all financial institutions while continuing to ensure consumer protections for all ATM users through mandated on-screen fee disclosures. This legislation is endorsed by the Credit Union National Association, the National Association of Federal Credit Unions, the American Bankers Association, the Independent Community Bankers of America, the Consumer Bankers Association, the Food Marketing Institute, the National Association of Convenience Stores, the American Gaming Association, the Electronic Funds Transfer Association, and the ATM Industry Association.

It is time to do away with this outdated regulation and stop these frivolous lawsuits. When a financial institution has to pay out to these unscrupulous actors, consumers have to pay. To join us in cosponsoring H.R. 4367, please contact Chris Brown ([chrisbrown@mail.house.gov](mailto:chrisbrown@mail.house.gov)) in Rep. Luetkemeyer's office or Alysson Vogt Blackwelder ([alysson.blackwelder@mail.house.gov](mailto:alysson.blackwelder@mail.house.gov)) in Rep. Scott's office. Thank you for your consideration.

Sincerely,

/s/  
Blaine Luetkemeyer  
Member of Congress

/s/  
David Scott  
Member of Congress