CUNA
Credit Union National Association

cuna.org

DANIEL A. MICA
PRESIDENT & CEO

601 Pennsylvania Ave., NW | South Building, Suite 600 | Washington, DC 20004-2601 | PHONE: 202-638-5777 | FAX: 202-638-7734

October 5, 2009

The Honorable Barney Frank
Chairman
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

Dear Chairman Frank,

On behalf of the Credit Union National Association, I want to applaud the letter you and your colleagues sent Treasury Secretary Geithner and Federal Reserve Board Chairman Bernanke on October 1, 2009, urging them to delay the implementation of regulations under the Unlawful Internet Gambling Enforcement Act (UIGEA). CUNA is the largest national credit union advocacy organization, representing approximately 90% of our nation's 8,000 state and federal credit unions, which serve 92 million members.

While CUNA supports efforts to eliminate payments to unlawful Internet gambling businesses, we have consistently raised concerns about impractical aspects of UIGEA. Its implementation would result in numerous and costly compliance problems for affected credit unions. In December 2007, we urged the Treasury and the Federal Reserve Board to place a moratorium on the proposed regulations until these concerns could be addressed. We also testified in April 2008 before the House Subcommittee on Domestic and International Monetary Policy, Trade and Technology on credit unions' major frustrations in grappling with how to comply with the law and the proposed regulations.

While some of our concerns were addressed in the final rule, which will take effect December 1, 2009, we believe important issues remain concerning the directives of the Act. Therefore, we wanted to make you aware of the attached letter that we sent to Secretary Geithner and Chairman Bernanke today, and express our appreciation of your work on this issue.

On behalf of America's credit unions, thank you very much for your continued support on this issue.

Sincerely,

Daniel A. Mica
President and CEO

AMERICA'S CREDIT UNIONS®

PO Box 431 | Madison, WI 53701-0431 | 5710 Mineral Point Road | Madison, WI 53705-4454 | PHONE: 608-231-4000

Attachment

cc: The Honorable Peter King
The Honorable Luis Gutierrez
The Honorable Ron Paul
The Honorable Melvin Watt
The Honorable Judy Biggert
The Honorable Gary Ackerman
The Honorable Leonard Lance
The Honorable Michael Capuano
The Honorable William Lacy Clay
The Honorable Paul Hodes
The Honorable Ron Klein
The Honorable Ed Perlmutter
The Honorable Bill Foster
The Honorable Andre Carson
The Honorable Walt Minnick
The Honorable Steve Driehaus
The Honorable Jim Himes
The Honorable Dan Maffei

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October 5, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of the Treasury

1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Secretary Geithner and Chairman Bernanke:

On behalf of the Credit Union National Association, I want to applaud the letter sent to you October 1, 2009 from Members of the House Financial Services Committee urging you to delay the implementation of your regulations under the Unlawful Internet Gambling Enforcement Act (UIGEA). CUNA is the largest national credit union advocacy organization, representing approximately 90% of our nation's 8,000 state and federal credit unions, which serve 92 million members. Under UIGEA, covered financial institutions must comply with requirements for the identification and blocking of certain financial transactions in connection with unlawful Internet gambling.

While CUNA supports efforts to eliminate payments to unlawful Internet gambling businesses, we have consistently raised concerns about impractical aspects of the Act and its implementation that we believe will result in numerous and costly compliance problems for affected credit unions. In December 2007, we urged the Treasury and the Federal Reserve Board to place a moratorium on the proposed regulations until these concerns could be addressed. We also testified in April 2008 before the House Subcommittee on Domestic and International Monetary Policy, Trade and Technology on credit unions' major frustrations in grappling with how to comply with the law and the proposed regulations.

While some concerns were addressed in the final rule, which will take effect December 1, 2009 for non-exempt financial institutions, we believe important issues remain about the directives of the Act. In view of the pending legislation in the House of Representatives to delay the compliance date of the rules until December 1, 2010, we strongly support a delay in the implementation of the UIGEA rules.

Thank you for your consideration of this important issue.

Sincerely,

Daniel A. Mica
President and CEO

cc: Chairman Frank and other House Members;
NCUA Board Member Debbie Matz

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