



4309 North Front Street  
P.O. Box 60007  
Harrisburg, PA 17106-0007  
[www.pcuassoc.org](http://www.pcuassoc.org)

July 21, 2004

Ms. Jennifer L. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, N.W.  
Washington, DC 20551

**RE: Docket No, OP-1196**  
**Request for Information for Study on Disclosures of Debit Card Fees**

Dear Ms. Johnson:

The Pennsylvania Credit Union Association (PCUA) appreciates this opportunity to provide information to the Board of Governors of the Federal Reserve System (Board) regarding its Study on Disclosures of Debit Card Fees. The PCUA is a statewide trade association that represents nearly ninety (90%) percent of the approximate six hundred and eighty-eight (688) credit unions located within the Commonwealth of Pennsylvania.

To respond to the Board's request for information, the PCUA consulted with its Regulatory Review Committee (the Committee). The Committee consists of eleven (11) credit union CEOs who lead the management teams of federal and state-chartered credit unions. Members of the Committee also represent credit unions of all asset sizes. The comments contained in this letter reflect the input of the Committee and PCUA staff.

**Do the current disclosures included in the initial disclosures at the time of contract, in the periodic statements, or in the receipts at electronic terminals provide consumers with sufficient information about point-&sale fee practices?**

Generally, the Committee submits that the current disclosures in aggregate adequately inform consumers of the fees associated with the use of debit cards. The initial disclosures at the time of contract allow consumers to compare debit card transaction fees that are imposed by account holding institutions. Periodic statement disclosures provide fee related updates and reminders, as well as, provide confirmation of the actual fees incurred by the consumer. The receipts at electronic terminals inform consumers of the final and actual costs associate with each point-of-sale use at the time of the transaction. These disclosures collectively provide consumers with sufficient detail to assess and compare the costs associated with using a debit card for purchases and services.

Ms. Jennifer L. Johnson, Secretary

-2-

July 21, 2004

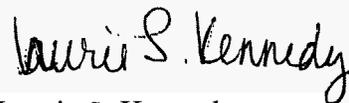
**Is there a need and potential benefit of requiring additional disclosures in each periodic account activity statement to reflect fees imposed by account-holding institutions for debit card use? What are the benefits of requiring disclosure of the amount, source, and recipient of each such fee, as well as, a summary of the total amount of such fees for the period, and calendar year-to-date?**

At least one member of the Committee deemed it advantageous for consumers to receive **this** type of information on a *monthly* basis, so that consumers can consider debit card fees as **part** of their overall evaluation **and** consideration of the services provided by retailers **and** account holding institutions. However, **the** cost **and** time of creating a program to compile and sort this type of information is extensive (estimates could be **as high as** \$50,000 or more for this type of project), particularly on **an** annual basis. Accordingly, it **is** recommended that the categories of disclosure be broad, such as: "fees charged monthly by the account **holding** institution," **and** "fees charged by others."

Please contact me at (717) 234-3156 x 5336 if you have any questions regarding the above.

Sincerely,

Pennsylvania Credit Union Association



Laurie S. Kennedy  
Associate Counsel

LSK:llb

cc: **Association Board**  
Regulatory Review Committee  
J. McCormack  
J. Kilduff  
R. Wargo  
M. Dunn, CUNA