

March 7, 2008

The Honorable Robert N. Herkes
State House of Representatives
Chairman
Committee on Consumer Protection & Commerce

Re: **(In Support)** SB 2292 Automated Teller Machines

Dear Chair Herkes

My name is Jason Barnhill; I am the Vice-President of ATM Unlimited and speaking on behalf of Hawaii's small business ATM owners and operators.

We support SB 2292. In the State of Hawaii we have the opportunity to enjoy and profit from a strong tourist economy. According to the State of Hawaii, Department of Business, Economic Development & Tourism, approximately 35% of all Hawaii's visitors are foreign visitors. Hawaii's ATM owners and operators find it unfair that we are unable to receive a financial benefit from these visitors. Such restrictions place an unfair burden on independent ATM operators and owners, whose primary source of revenue on ATMs comes from surcharges. We argue that current restrictions on surcharges for international ATM users create a situation where domestic ATM users subsidize the costs for international users.

Please Support SB 2292

Sincerely,

Jason Barnhill
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HAWAII BANKERS ASSOCIATION

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March 7, 2008

The Honorable Robert N. Herkes
State House of Representatives
Chairman
Committee on Consumer Protection & Commerce

Sent via email: CPCTestimony@capitol.hawaii.gov

Re: SB 2292 Relating to Automated Teller Machines (**In Support**)

Dear Chair Herkes:

I am Roy Amemiya, employed by Central Pacific Bank, but testifying on behalf of the Hawaii Bankers Association (HBA) and its member banks.

The HBA supports SB 2292. The measure requires that an agreement may not prohibit, limit, or restrict the right of the owner or operator of the automated teller machine to charge a customer transaction fee.

Please note that SB 2292 is identical in text to HB 2409 that was passed unamended by this committee on February 6, 2008, and by the full House on February 28, 2008.

This measure would override an international surcharge rule in the VISA International and MasterCard International agreements. Currently, a user of an ATM using a domestic card, either from a financial institution located in the mainland U.S. or in Hawaii can be assessed a fee. Therefore, the result of passing this law is that foreign visitors to the islands would be assessed an ATM withdrawal fee similar to domestic users.

The use of an exemption provided by state law is an approach being used by other jurisdictions and presently 17 states have such laws. These include: **Alabama, Arkansas, California, Colorado, Georgia, Idaho, Louisiana, Maine, Mississippi, Montana, Nevada, New York, Tennessee, Texas, Utah, Washington and Wyoming.**

We thank you and the community for your earlier support of HB 2409, and request you also pass SB 2292 in unamended form.

Sincerely,



Roy K. Amemiya, Jr.

Phone: 535-2555

Email:

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