

**February 26, 2024**

**The Honorable Kannan Srinivasan  
Virginia General Assembly Building, Room 1017  
201 North 9th Street  
Richmond, Virginia 23219**

**Re: Request for Clarification on HB1519**

Dear Delegate Srinivasan,

On behalf of the Electronic Transactions Association (“ETA”), the leading trade association for the payments industry, we appreciate the opportunity to discuss HB1519. ETA represents over 500 companies that offer electronic transaction processing products and services, including financial institutions, transaction processors, payments networks, and others. Our members process approximately \$44 trillion annually in purchases and P2P payments worldwide and deploy payments innovation to merchants and consumers. Our questions regarding HB1519 can be summarized as follows:

**Definition of A Fee:** As currently drafted, the bill seeks to prohibit “any transaction or processing fee or similar surcharge” however, the bill does not go on to define any of these terms. A lack of specificity around which fees or charges are allowed, or not allowed, could lead to inconsistencies in the way businesses apply HB1519. ETA respectfully requests clarification on which fees would be included.

**Types of Transactions and Entities Subject to Provisions:** HB1519 bases the definition of an electronic fund transfer (EFT) on the Consumer Financial Protection Bureau’s (CFPB) definition under Regulation E (12 C.F.R. § 1005.3). This definition covers a broad range of services and transactions, including: Point of sale transfers, automated teller machine transfers, direct deposits or withdrawals of funds, transfers initiated by telephone, and any transaction involving a debit card. Is the intent of the legislation to capture all of these transactions or could the definition be narrowed to cover a specific set of circumstances, e.g., during the course of paying rent. Similarly, could the definition provide more clarity on the entities subject to fee limitations, including, for example, by specifying EFTs made to rental properties, landlords, or property management companies?

ETA welcomes the opportunity to work with the Committee on ways to help clarify the language so that the sponsor’s intent matches the bill language. We appreciate you taking the time to consider these important issues. If you would like to discuss any aspect of our comments, please contact me or ETA Executive Vice President Scott Talbott at [Stalbott@electran.org](mailto:Stalbott@electran.org).

Respectfully Submitted,



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