



Maine Credit Union League

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In Opposition to

LD 580: An Act to Protect Maine Consumers by Prohibiting Fees Charged for Receiving Paper Statements from Financial Institutions and Credit Card Issuers

Committee on Health Coverage, Insurance and Financial Services

March 5, 2025

Good Afternoon, Senator Bailey, Representative Mathieson, and distinguished members of the Committee on Health Coverage, Insurance and Financial Services,

My name is Ellen Parent and I am the Director of Compliance the Maine Credit Union League. The Maine Credit Union League is the trade association for Maine's 48 credit unions and over 750,000 members statewide. We respectfully submit the following testimony **in opposition to LD 580.**

Credit unions are cooperative financial institutions owned by their depositors; this means that any costs borne by the credit union are shared throughout the membership. There is a real cost to printing and mailing monthly statements to members, our credit unions respectfully ask that we maintain the status quo so they can recoup these expenses.

When we surveyed our membership, we discovered that credit unions were all over the map when it came to whether they charged for paper statements. Many credit unions charged no statement fees, some only charged them to new members, some do not charge statement fees on accounts specifically designed for seniors, some waive the fee on all members over 65 years of age. All of our credit unions agreed that they want the option to charge this fee.

Synergent, an affiliate of the Maine Credit Union League, provides printing for many of the credit unions in Maine and reports that the average cost per statement is approximately \$0.76 per statement. This cost involves the image rendering, printing, folding, machine inserting, paper, and envelopes. Inflation has made paper statements more costly, especially when considering that the cost of postage increased 26% between 2018 and 2023.¹ The average Maine credit union has approximately 15,000 members, if only half of their membership uses a paper statement, this bill could cost the credit union as much as \$5,700 per year. Charging a paper statement fee helps offset costs while encouraging members to adopt more eco-friendly, cost-effective digital banking options.

Under federal law, credit unions may not require that members receive electronic statements. Members must affirmatively opt-in to e-statements and prove that they are able to receive statements, because of this requirement, paper statements remain the default. If this bill were to pass, credit unions would need to find a way to absorb the cost. For some, this might mean

¹ *The Forever Stamp just went up in price. How does the U.S. compare globally?* National Public Radio. <https://www.npr.org/2024/04/12/1244273973/forever-stamp-cost-price-going-up-usps-postage>. July 15, 2024.

that all accounts have a fee assessed, for others it may mean that members bear the cost through less favorable rates.

Currently, Maine has a robust local financial industry, the wide range of practices across financial institutions on paper statement fees allows for competition and for consumer choice. In addition, the direct application of paper statement fees targets only those who use the service, rather than placing the burden on the entire membership.

We appreciate that the sponsor's intent is to protect consumers, but we would suggest that the unintended consequence of this bill would increase costs for all individuals at financial institutions. We thank the committee for allowing us to represent the views of the industry and respectfully ask that for an Ought Not To Pass report be voted out of committee.