



Maine Credit Union League

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In Opposition to
**LD 1180: An Act to Prohibit Persons from Providing Incentives to Customers for Opting
Out of Paper Billing**

Committee on Health Coverage, Insurance and Financial Services
April 1, 2025

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

My name is Robert Caverly and I am the Vice President of Advocacy & Outreach at the Maine Credit Union League. The Maine Credit Union League is the trade association representing all of Maine's credit unions and their more than 750,000 members statewide. We respectfully submit the following testimony **in opposition to LD 1180**.

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 are real costs to printing and mailing monthly statements to members. The League recently testified on LD 580, *An Act to Protect Maine Consumers by Prohibiting Fees Charged for Receiving Paper Statements from Financial Institutions and Credit Card Issuers*, there we reported to the committee that the average cost per statement is approximately \$0.76 per statement. These costs include 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. The average Maine credit union has approximately 15,000 members, if the membership uses a paper statement, this bill could cost the credit union as much as \$11,400 per month or \$136,800 per year.

As you can see there are significant savings credit unions can achieve by incentivizing their members to receive electronic paperless statements. When we surveyed our membership, we discovered that credit unions were all over the map when it came to how they handle their monthly statements. While there were many different policies and approaches to handling monthly statements, all of our credit unions surveyed agreed that they are in the best position to handle this policy area, rather than having state government intervene.

Under federal law, credit unions may not require members to 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. Credit unions may use incentives to encourage members to switch to electronic statements, doing so can help the institution save money that benefits the entire membership of the credit union, and is also more environmentally friendly.

We thank the committee for allowing us to represent the views of the industry and respectfully ask that you consider an Ought Not To Pass report be voted out of committee.