



For Immediate Release

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Contact: Tom Goldsmith, Director, Communications & Public Relations
(202) 828-2635 ext. 206

ETA Gears Up for a Busy Fall Legislative Agenda

Washington, DC -- The Electronic Transactions Association (ETA) will tackle several key issues on behalf of the association's members and the acquiring industry when Congress returns from recess next week. Over the summer months, ETA stepped forward and provided information and education to Washington officials on data security, the interchange system, and tax regulation.

ETA's board of directors met in July and approved a government relations policy plan on data security and breach notification. The policy position actively supports the creation of a federal breach notification standard. ETA plans to closely monitor developments in the congressional consideration of several data security bills introduced this year.

"Congress is poised to take up data security and breach notification legislation," says Carla Balakgie, ETA's Chief Executive officer, "and that gives us the opportunity to be proactive in shaping legislation that is extremely important to ETA members and the entire payments industry." Balakgie noted that currently the industry has to deal with more than 40 different state laws that impose different—and often conflicting—data security requirements and rules for handling breaches.

In August, ETA provided information and research assistance to the Government Accountability Office (GAO) on the U.S. interchange system, including data about the functions and logistics of the payments industry, the competitive nature of the industry's fee structure, and the reasons for and components of fees that merchants pay for card processing.

Also in August, ETA representatives spoke with Internal Revenue Service (IRS) officials regarding regulations being crafted to implement the merchant reporting requirement signed into law last year. ETA provided data and background information on the operation of the U.S. electronic payments system and stressed the need for adequate lead time to be given for implementation of the new reporting requirements. Sufficient lead time is critical for ETA members as, once the regulations are finalized, new systems will need to be created and/or existing systems will require extensive reconfiguration.

Where the GAO studies and the IRS regulations are concerned, Balakgie says ETA's role in educating federal agency staff is critical to the association's membership and others involved in electronic payments. "Because our members represent every node in the electronic payments chain, ETA is in a unique position to speak to the broad impact that could result from the studies conducted by GAO or from the merchant reporting regulations to be issued by the IRS," she explained. "It is vital that the agencies involved have accurate information and a clear picture of the electronic payments system."

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About ETA:

The Electronic Transactions Association is an international trade association representing more than 500 companies who offer electronic transaction processing products and services.

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