

February 25<sup>th</sup>, 2019

By Electronic Mail

The Honorable Representative Dan Ortiz

Room 513 Capital Bldg.

Juneau, AK 99801

[Rep.Dan.Ortiz@akleg.gov](mailto:Rep.Dan.Ortiz@akleg.gov)

RE: House Bill 44; Automated Teller Machines: Fees

Dear Representative Ortiz & Members of the Alaska Legislature:

I am writing on behalf of myself and the 74 locations my company serves in South East Alaska and Anchorage. I support House Bill 44. It will provide a remedy for the current issue of ATM withdrawals using cards from foreign banks not paying a fee for the service.

Ketchikan and the rest of the State of Alaska have hundreds of thousands of visitors that come to our State with foreign cards and need to get US funds to tip local tour operators and make other small purchases. I have some locations that experience up to 40% of the transactions being from foreign banks. This translates into a higher surcharge needing to be charged at these locations to cover costs of offering free transactions to foreign cards while US citizens wind up paying higher surcharge to offset the costs of offering the service for free to foreign cards. I have often been asked by locations if these transactions can be blocked or denied. The answer I have been given by every card processor is that I cannot block transactions on specific cards or networks. The best remedy is to fix the law to require everybody to pay the same fees. House Bill 44 is that remedy.

If House Bill 44 passes it will mean more income in the hands of ATM operators, larger commissions to locations, and more locations will become feasible to offer ATMs. ATMs offer a needed service to the tourism industry and the greater Alaskan economy. Over the years the amount of transactions processed on foreign cards has increased drastically.

House Bill 44 also addresses an issue of fairness. Without the Bill domestic customers pay higher prices due to the foreign card holders not having to pay for the service. ATMs offer a convenience to all customers and all customers should pay the same price for the service.

Thank you for your consideration,

Tony Gosnell, Owner

G.Games-Vending 6103 S. Tongass Hwy Ketchikan, AK 99901

February 28, 2018

From: Steven Kantor, CHARR Board of Directors

To: Caroline Hamp, Staff to Rep. Ortiz

Via: Email

Caroline,

Thanks for your email. I was waiting on further input from the rest of our Board of directors before I weighed in on this. We are in favor of this bill. We also believe this bill will probably pass no problem. It allows All ATM transactions to be surcharged. Right now some ATM transactions, just a small amount, are not surcharged because of Visa/MasterCard regulations. This bill will allow those transactions that are now "surcharge free" to be charged the surcharged set at the ATM and paid by the other 99.9% of users. Many of our members own their own ATM machines and are not compensated properly for all transactions. I know it's a little late and we appreciate you including us in this conversation.

Steven

Steven Kantor  
U.S. Spirits Inc.,  
K&T Investments LLC  
Ketchikan CHARR Inc