



**National Association of Federal Credit Unions**  
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**Fred R. Becker, Jr.**  
*President and CEO*

August 20, 2010

The Honorable Dennis Moore  
Chairman  
Subcommittee on Oversight and Investigations  
House Financial Services Committee  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Moore: 

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing the interests of our nation's federal credit unions, I am writing to you regarding Monday's field hearing entitled "Too Big Has Failed: Learning from Midwest Banks and Credit Unions."

It has been well-recognized in both houses of Congress that credit unions were not the cause of the current economic crisis and did not make the loans that helped lead to the downfall of the housing market. The abuses that took place on Wall Street and in the unregulated mortgage market, at the expense of hard-working Americans, should never be allowed to occur again. Credit unions have long fought the prevalence of these bad practices and have led the way in consumer protection by seeking to offer better financial products and exceptional customer service to their members.

NAFCU applauds efforts to find remedies to our current financial crisis and prevent future problematic products from evading regulation. As small, not-for-profit financial institutions, however, credit unions may be disproportionately impacted by some of the valiant efforts in the financial reform bill. As the provisions of the *Dodd-Frank Wall Street Reform and Consumer Protection Act* are implemented, we hope that the subcommittee will keep in mind the unique structure of credit unions and the increased compliance burden they face. Unlike large for-profit banks, credit unions do not have economies of scale nor stockholders to turn to in order to ease new compliance costs. We hope that as Congress tackles a "corrections" bill for the reform package it looks for ways to ease new compliance burdens on good actors such as credit unions. We look forward to working with the subcommittee to address this issue.

We thank you for holding this important hearing on what the financial services industry can learn from Midwest banks and credit unions. Should you have any further questions, please do not hesitate to contact myself or NAFCU's Director of Legislative Affairs, Brad Thaler, at 703-842-2204.

Sincerely,

  
Fred R. Becker, Jr.  
President/CEO

cc: Members of the House Financial Services Subcommittee on Oversight and Investigations

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