



National Association of Federal Credit Unions

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September 22, 2011

The Honorable Shelley Moore Capito
Chairman
Subcommittee on Financial Institutions and Consumer Credit
Committee on Financial Services
United States House of Representatives
Washington, D.C. 20515

The Honorable Carolyn Maloney
Ranking Member
Subcommittee on Financial Institutions and Consumer Credit
Committee on Financial Services
United States House of Representatives
Washington, D.C. 20515

Dear Chairman Capito and Ranking Member Maloney:

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 write today in conjunction with the Financial Institutions and Consumer Credit Subcommittee hearing entitled "An examination of the Availability of Credit for Consumers."

Credit unions are proud of their track record in ensuring that the nation's 93 million credit union members have maintained access to consumer credit during the economic downturn. This is particularly true for those in low-income or underserved areas, who may have limited options for accessing consumer credit from other sources. It should be noted that credit unions with an underserved area have outperformed the average when it comes to consumer loan growth for 2010 and the first half of 2011. Unfortunately, federal credit unions that are not defined as "multiple common-bond" credit unions are currently prevented from adding underserved areas to their fields of membership. Still, federal credit unions seek to serve more underserved communities—areas that banks continue to refuse to serve.

Many credit unions have also established small-dollar short-term loan programs to help their members through tough times. The focus on the member relationship allows credit unions to tailor programs to meet the specific needs of their field of membership. It is important that, as Congress takes a look at how to promote greater access to consumer credit, any Congressional action seek to minimize the regulatory burdens and remove legislative roadblocks that can serve to hinder the ability of credit unions to meet the credit needs of our nation's consumers.

We thank you for your work on this important issue. Should you have any questions or require any additional information please do not hesitate to contact myself or Jillian Pevo, NAFCU's Associate Director of Legislative Affairs, at 703-842-2204.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the Subcommittee