



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

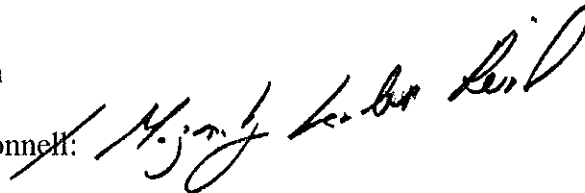
March 7, 2012

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

Re: Real Bipartisan Job Creation

Dear Leader Reid and Leader McConnell:



On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents the interests of our nation's federal credit unions, I write today in conjunction with efforts in Congress to help create jobs and jumpstart the nation's fragile economic recovery. As community-based financial institutions with nearly 94 million member-owners, our members strongly support all efforts to create jobs and improve our nation's economy.

However, given the sound track record of credit unions responsibly serving their members during these tough economic times, it remains incomprehensible for Congress to put forward yet another "jobs" package that fails to include bipartisan ideas that would either allow credit unions to make additional member business loans or gain access to supplementary capital. Absent serious consideration of these initiatives, NAFCU cannot support any "jobs" package that does not include at least one of these bipartisan proposals.

As you may know, legislation put forward by Senators Mark Udall (D-CO) and Olympia Snowe (R-ME) – *The Small Business Lending Enhancement Act* (S. 509) – would raise the arbitrary member business lending cap credit unions currently face. Restricting credit unions on the amount of business lending they can facilitate is counterproductive to job creation and should be addressed immediately. The Treasury Department and the National Credit Union Administration (NCUA) have signed-off on this commonsense proposal that would create jobs without spending a single dime of taxpayer funds.

In addition, any legislative package put forward to create jobs should include a provision that would authorize the NCUA to allow credit unions to access supplemental forms of capital that do not alter their cooperative nature. This would further minimize the probability of credit union insolvency,

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allow credit unions to better react to market conditions, and ensure credit unions have the flexibility they need to grow and serve their communities.

Raising the credit union member business lending cap and allowing credit unions access to supplemental capital are key issues for NAFCU members and should be coupled with any other job creation efforts considered in the Senate. Anything less will represent another missed opportunity to maximize the availability of credit to American small businesses and help our economy recover. We thank you for your consideration and welcome the opportunity to discuss this matter further. If my colleagues and I can be of assistance to you or if you have any questions regarding this issue, please feel free to contact myself or NAFCU's Vice President of Legislative Affairs, Brad Thaler, at (703) 842-2204.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred R. Becker, Jr.", written in a cursive style.

Fred R. Becker, Jr.
President and CEO

cc: Members of the United States Senate