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National Association of Federal Credit Unions | www.nafcu.org

April 24, 2012

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: H.R. 3336, the *Small Business Credit Availability Act*

Dear Speaker Boehner and Minority Leader Pelosi:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing our nation's federal credit unions, I write today in regards to the House's consideration of H.R. 3336, the *Small Business Credit Availability Act*. NAFCU supports this effort to ensure that small financial institutions are exempt from being classified as "swap dealers" under the *Dodd-Frank Act* and the regulations issued by the Commodity Futures Trading Commission.

NAFCU believes that credit unions should not be considered swap dealers. The focus of the regulations should be on large financial institutions and their use of credit default swaps. This bill will help accomplish that and we believe that it recognizes the important relationship between risk management tools and the availability of credit.

While we support this bill, we believe that the legislation would be improved by clarifying the definition of "insured depository institution" in Section 2 of the bill. The *Commodity Exchange Act*, as amended by the *Dodd-Frank Act*, does not define "insured depository institution" and it therefore could be seen as ambiguous, as there are various definitions of this term in other federal statutes. While we understand the intent is to include all types of insured depository institutions, including credit unions, we believe that this section can be enhanced by clarifying that credit unions are included in this definition.

Thank you for your attention to this important matter. We appreciate the opportunity to voice our concerns and look forward to working with you as you examine this issue. Should you have any questions or need additional information, please do not hesitate to contact myself or NAFCU's Vice President of Legislative Affairs, Brad Thaler, at 703-842-2204.

Sincerely,

B. Dan Berger
Executive Vice President, Government Affairs

cc: Members of the House of Representatives