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National Association of Federal Credit Unions | [www.nafcu.org](http://www.nafcu.org)

March 6, 2015

The Honorable Sean Duffy  
Chairman  
Subcommittee on Oversight & Investigations  
House Financial Services Committee  
1208 Longworth House Office Building  
Washington, DC 20515

**Re: NAFCU support for Structural Changes to the Consumer Financial Protection Bureau**

Dear Chairman Duffy:

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 strong support of several pieces of legislation you recently reintroduced in the 114<sup>th</sup> Congress to bring more transparency to the operations of the Consumer Financial Protection Bureau (CFPB). Credit unions and their 100 million members are greatly impacted by the actions of the CFPB and believe the operating structure of the CFPB should be as fair and transparent as possible.

Accordingly, we support your legislation, H.R. 1261, *The Bureau of Consumer Financial Protection Act*, subjecting the CFPB to the regular Congressional appropriations process. Given that the CFPB is a relatively new agency, Congress should retain every oversight function possible to ensure the bureau is responsive to lawmakers and their constituents.

NAFCU also supports your legislation, H.R. 1263, *The Consumer Financial Protection Safety and Soundness Improvement Act*, making much needed improvements to ensure effectiveness of the Financial Stability Oversight Council (FSOC). While NAFCU is pleased that the FSOC has limited "veto" authority over some proposed rules if they are found to create safety and soundness concerns, the current veto authority is too limited. NAFCU supports your modified approach that would change the threshold needed to overturn a CFPB rule to a simple majority of FSOC members.

We also want to recognize your legislation (H.R. 1265) that would apply requirements of the *Federal Advisory Committee Act* to the CFPB. In effect, this would ensure that CFPB Credit Union Advisory Council meetings are open to the public and all minutes and reports are made available to the public. NAFCU believes the Credit Union Advisory Council plays an important role in informing the CFPB of how various rules and regulations would impact credit unions in practice, and encourages the bureau to take these discussions into account throughout the rule making process.

Lastly, NAFCU also supports your legislation, H.R. 1262, *The Consumer Right to Financial Privacy Act*, addressing CFPB data collection efforts. The CFPB has broad authority to collect information from financial institutions from a variety of sources. Procedures must be put into place to ensure sensitive personal information of consumers is not compromised. As you know, data breaches have reached epidemic proportions from Target to Home Depot to countless other attacks on merchants impacting millions of consumers across the country. There is a clear need for Congressional action on various aspects of data security and your bill is a good first step to ensuring a breach does not occur at the CFPB.

Again, thank for introducing these important pieces of legislation. We look forward to working with you and your staff as these bills move through the committee process. If my staff or I can be of assistance to you please feel free to contact myself, or NAFCU's Director of Legislative Affairs, Jillian Pevo, at 703-842-2836.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Thaler", with a long horizontal flourish extending to the right.

Brad Thaler  
Vice President of Legislative Affairs

cc: Members of the House Financial Services Committee