



**CUNA**

Credit Union National Association

[cuna.org](http://cuna.org)

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PRESIDENT & CEO

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April 28, 2008

The Honorable  
United States House of Representatives  
House Office Building  
Washington, DC 20515

Dear Representative :

On behalf of the Credit Union National Association (CUNA), I urge you to support H.R. 5519, the *Credit Union Regulatory Relief Act* (CURRA), which is scheduled to be considered under suspension of the rules next week. CUNA is the nation's largest credit union advocacy organization, representing 90% of our nation's approximately 8,400 state and federal credit unions, their state credit union leagues, and their 90 million members.

H.R. 5519, a bipartisan bill sponsored by Representatives Paul Kanjorski and Ed Royce, will give credit unions modest regulatory relief that they need in order to continue to serve their members well.

The legislation contains several provisions which passed the House of Representatives in 2006 as part of H.R. 3505, the Financial Services Regulatory Relief Act, but were not enacted into law. These provisions will exempt credit unions from pre-merger notification requirements under the Clayton Act, exempt business loans made to religious organizations from the credit union member business lending cap, give the National Credit Union Administration Board the ability to establish longer maturities for certain loans, modernize credit union governance, and give the NCUA Board flexibility to respond to market conditions.

CURRA also contains three other important provisions. It will clarify the intent of the *Credit Union Membership Access Act* (P.L. 105-219), that all federally chartered credit unions should be eligible to serve underserved areas, and not just multiple group federal credit unions. The bill also narrows the definition of what qualifies as an underserved area and will restrict credit unions to serving underserved census tracts, as opposed to underserved geographic areas. This provision is responsive to concerns raised at a March 6, 2008, hearing in the House Financial Services Committee.



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H.R. 5519 will also exempt business loans made in underserved areas from the credit union business lending cap, which prevents credit unions from doing more to meet the financial needs of small businesses. Credit unions have nearly a century of experience in business lending – helping our business-owning members is a very important part of the mission of credit unions. During these difficult economic times, CURRA will allow credit unions to continue lending to the small businesses in the areas that need the help the most.

Finally, CURRA will allow federal credit unions to offer payday lending alternatives to any person within the credit union's field of membership. This provision will give those consumers who now must rely on high-cost nontraditional financial services providers a low-cost option at a mainstream, regulated institution.

While H.R. 5519 represents a good first step toward providing credit unions the regulatory framework needed to serve their members in the 21<sup>st</sup> Century, there is more to be done. We encourage you to vote for H.R. 5519 when it comes to the floor and also cosponsor H.R. 1537, the *Credit Union Regulatory Improvements Act*, which would put credit unions under a risk-based capital system and provide a modest increase in the member business lending cap.

On behalf of the credit unions and their members in your Congressional district, thank you for your consideration. We hope you will support H.R. 5519 when it comes to the floor.

Sincerely,

A handwritten signature in cursive script that reads "Daniel A. Mica".

Daniel A. Mica  
President & CEO