



Credit Union National Association

cuna.org

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September 16, 2009

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

Dear Speaker Pelosi:

On behalf of the Credit Union National Association (CUNA), I am writing regarding H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009, which may be considered by the House this week. CUNA represents nearly 90 percent of America's 8,000 credit unions and their 92 million members.

We are concerned with the call for the elimination of the Federal Family Education Loan Program (FFELP). Currently, over 1,000 credit unions provide their members student loans through FFELP. A small number of these credit unions, primarily with university-based fields of membership, have significant concentrations in student lending. Credit unions that specialize in student lending provide a high quality service for their student members, and can provide much needed and individualized assistance if difficulties arise with regards to loan repayments. The elimination of FFELP will remove this valuable option for students.

Over the last several years Congress has identified, and enacted legislation to address, several problems in the private student lending market. As one would expect, credit union student lenders were neither the target of the legislation nor the source of the problems; however they have certainly been affected by the remedy. Several have stopped offering these services to their members as a result of the amendments to the Higher Education Act enacted last year.

We urge Congress to retain the FFELP program. For the credit unions that offer student loans, it is an important service that their members value. On behalf of America's credit unions, thank you very much for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Daniel A. Mica".

Daniel A. Mica
President & CEO



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