



Credit Union National Association

cuna.org

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April 16, 2013

The Honorable Jerry Moran
United States Senate
Washington, DC 20510

The Honorable Joe Manchin
United States Senate
Washington, DC 20510

Dear Senators Moran and Manchin:

On behalf of the Credit Union National Association (CUNA), I am writing to support S. 727, the Financial Institution Examination Fairness and Reform Act (FIEFRA). CUNA is the largest credit union advocacy organization in the United States, representing nearly 90% of America's 7,000 state and federally chartered credit unions and their 96 million members.

CUNA strongly supports this legislation and views it as a firm step in the right direction toward ensuring the federal financial institution regulatory agencies (regulators) conduct fair exams for those they supervise which are consistent with the law and regulation and ensure safety and soundness. The legislation would make available to financial institutions the information used to make decisions in their examination; codify certain examination policy guidance; establish an ombudsman at the Federal Financial Institution Examination Council (FFIEC) to which financial institutions could raise concerns with respect to their examination; and, establish an appeals process before an independent administrative law judge.

Credit unions support a strong and effective regulatory system for credit unions. After all, credit unions' own net worth and combined National Credit Union Share Insurance Fund deposits fund solutions for credit union losses. We do not view your legislation as weakening the federal examination system. To the contrary, by increasing the consistency and fairness of the system, safety and soundness can also be enhanced. We applaud your leadership on this issue, and would like to work with you in to enhance the legislation as it goes through the legislative process.

The examination process is but one of the challenges credit unions and other financial institutions face as the country recovers from the recent financial crisis. FIEFRA will facilitate transparency and improve consistency in the examination process; provide a resource for financial institutions to express concern about their examination experience; and establish an independent adjudicatory process for the appeal of material supervisory determinations. It will help begin to address the "crisis of creeping complexity" with respect to regulatory burden. We strongly support this legislation and look forward to working with you to ensure its timely enactment.

On behalf of America's credit unions and their 96 million members, thank you very much for your work on this critical legislation.

Best regards,

Bill Cheney
President & CEO



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