

FACTS

Credit union service to members of modest means

WHAT CONGRESS SAYS ABOUT WHO CUs SERVE

Key points:

- *Words traditionally used* by Congress over the years to describe who credit unions serve include “average” and “workers.”
 - *More recent descriptions* by Congress of whom credit unions serve include references to “working families” and “work force.”
 - *Serving **only** the poor* has never been a congressional requirement for credit unions.
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Traditional words

- Sen. Morris Sheppard (D-Texas), 1934 (in debate over consideration of the original Federal Credit Union Act): “This bill is offered as a substantial contribution to a better banking system for **average city workers and farmers.**”
- House of Representatives’ report accompanying Federal Credit Union Act (1934): “At a time when industrial recovery depends on the buying power of the masses of the people, usurious money lending in total amounts which are now figured in billions of dollars annually, obviously destroys vast totals of buying power represented by the difference between what the **average worker** should pay for credit and what he does pay for credit.Credit unions are a socially desirable means of self-help among groups of **wageworkers or farmers** having a community of interest.”
- Rep. Fernand St Germain (D-R.I.), 1969: “My concept, my understanding of the credit union movement is that it was established by **wage earners.** The deposits are from wage earners—primarily. And I think it is splendid that the credit unions have gone into these additional areas and helped people stricken by poverty, both the young and the old.”

Recent descriptions

- Rep. Steven LaTourette (R-Ohio), 1998 (in debate over consideration of the Credit Union Membership Access Act): “[This bill] ensures credit unions access to America’s millions and millions of small businesses. This hardworking, prosperous and inventive **work force** will now have the ability to choose where they can conduct their financial dealings. Had the Congress let the Supreme Court ruling stand and prevent new employee groups, each with its own common bond, from joining credit unions, we would have been harming a **huge chunk of America’s work force.**”
- Sen. Christopher Dodd (D-Conn), 1998 (in debate over consideration of the Credit Union Membership Access Act): “I think people ought to be free to make that choice of joining a credit union. The overwhelming majority of credit unions provide affordable financial services to **working families** all across this country.”
- Rep. Barney Frank (D-Mass.), 2006 (CUNA *Newswatch*, Oct. 23): “Credit unions have played a very important role in providing services which are safe, efficient and far less expensive. This is of course in the tradition that credit unions have established of providing this sort of financial service to a **very large segment of the American population.**”