

House Committee on Ways and Means

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Thomas Comments on Credit Union Recommendations

WASHINGTON – Last week, the National Credit Union Administration (NCUA), the government agency that oversees credit unions, issued a report with recommendations to its board members regarding Federal credit union membership and executive compensation. Ways and Means Committee Chairman Bill Thomas (R-CA) released the following statement in response:

"Today's report is a step in the right direction. The NCUA has taken the initiative in compiling this report following last year's Ways and Means Committee hearing on the tax-exempt status of credit unions. This report is a good start in establishing more transparency in the industry; however, I view this as only the first step. The NCUA still has much more work ahead of them with respect to transparency and data collection.

"The NCUA and industry associations have overstated the strength of the results of the report, especially those results which lead them to justify expansions of fields of membership. It would be premature to draw sweeping conclusions from the NCUA's preliminary analysis. Additional data gathering will be helpful in determining the veracity of these results and to measure progress. In fact, the report recommends the NCUA Board expand their data collection efforts. I encourage the NCUA Board to accept the report's recommendations.

"The Government Accountability Office (GAO) will be releasing reports on credit unions at the end of the month. The GAO work includes examining the objectivity of the NCUA and comparing the population of customers served by banks versus those served by credit unions. GAO's work will be an important contribution to our understanding of a tax-exempt industry that has gone unreviewed by Congress for years."

For a copy of the full report, please visit:

<http://www.ncua.gov/ReportsAndPlans/MSAP/MSAP-Pilot.pdf>.

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