



Credit Union National Association

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cuna.org

December 12, 2005

The Honorable Jim Ramstad
Chairman
Ways and Means Subcommittee on Oversight
1136 Longworth House Office Building
U.S. House of Representatives
Washington, DC 20515-6352

Dear Chairman Ramstad:

On behalf of the Credit Union National Association (CUNA), our affiliated state associations and leagues, and America's 87 million credit union members, I appreciate the opportunity to highlight our efforts on behalf of the victims of this year's devastating hurricanes. I respectfully request that this letter be made part of the official record of the Ways and Means Oversight Subcommittee Hearing to Review the Response by Charities to Hurricane Katrina, to be held on December 13th, 2005.

On December 7th, 2005, CUNA was personally congratulated by President George W. Bush for the extraordinary efforts by the credit union movement to help the victims of Hurricane Katrina. CUNA and our affiliated leagues engaged in a massive and diverse effort after Katrina struck to provide assistance for the storm victims.

In a letter to CUNA, President Bush wrote, "I appreciate your efforts, and our whole Nation is grateful for your kindness and generosity. He continued, "The good works of the Credit Union National Association demonstrate the character and great strength of our Nation."

In September, CUNA consolidated and refocused the efforts of the credit union movement through a program called R.E.S.C.U., or "Relief Effort and Support for Credit Unions". This umbrella program brings all credit union assistance and relief activities into one coordinated effort. This allows CUNA to more effectively focus the movement's efforts, and avoid any duplication, in assisting credit unions in Gulf states in the restoration of normal operations. In essence, the program gathers in one place, and under one name, all of the activities and efforts already being undertaken by CUNA, the American Association of Credit Union Leagues (AACUL) and credit unions to provide relief and support.



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The thrust of the program is to marshal resources - including equipment and donations of cash through the National Credit Union Foundation - to assist the credit unions in the states affected by the hurricane disaster. Additionally, through CUNA's regulatory advocacy, legislative affairs and communications resources, the program aims to keep credit unions informed of the latest regulatory and legislative developments related to disaster relief and support related to the disaster.

The credit union movement has come together to help affected credit unions, their membership, and their communities in general. A small sampling of these efforts include:

- The Louisiana Credit Union League (LCUL) hosted two "Surviving Hurricane Katrina" programs in November. The programs -- one for small-asset credit unions, the other for larger asset sizes -- addressed critical planning issues for the next year. More than 30 credit unions attended the session at the Sheraton New Orleans Hotel.
- Last month, the Carolinas Credit Union Foundation mailed \$500 checks to 192 credit union members in Louisiana who were left homeless after Hurricanes Katrina and Rita.
- The National Credit Union Foundation (NCUF) met with credit unions in New Orleans last month to promote the continued availability of disaster relief grants. Based on needs assessments conducted by state leagues for credit union employees and their families, NCUF has been making larger grants to help those individuals recover. "Phase II" grants are being awarded to individuals based on three categories of needs: "Serious"--\$1,500; "Very Serious"--\$2,500; and "Critical"--\$3,500.
- Thus far, NCUF has committed and/or disbursed:
\$990,000 for Louisiana;
\$500,000 for Mississippi;
\$150,000 to Alabama;
\$50,000 to Texas, and;
\$150,000 to the National Federation of Community Development Credit Unions for low-income credit unions in affected states.
- Since Hurricane Katrina, NCUF's Disaster Relief Fund has raised more than \$2.7 million. Every dollar raised will continue to be used for disaster relief benefiting credit union organizations and their employees.
- State credit union leagues and foundations across the country are launching relief efforts to help their peers in Alabama, Louisiana and Mississippi in the storm's aftermath.

- The Michigan Credit Union League developed a three-stage plan to provide relief to assist hurricane-affected survivors. The plan includes raising \$10 million for humanitarian assistance and to help rebuild credit unions. In addition, the plan calls for organizing credit union volunteers to render both humanitarian assistance and possibly facilitate an effort to support and fill in for credit union staff.
- The Colorado Credit Union League Foundation donated \$15,000 to the National Credit Union Foundation (NCUF) disaster relief fund. It also collected clothing and personal hygiene items to be sent to Mississippi credit union employees and their families. The league and foundation also are offering information technology and telecommunications support to affected Gulf Coast credit unions.
- Lockheed Georgia Employees' FCU, based in Marietta, Ga., sent two employees to Mississippi to offer instant \$1,000, low-interest hurricane relief loans to assist credit union members there. They wrote 57 relief loans, totaling \$57,000, to help members without immediate access to cash.
- The Ohio Credit Union League shipped fifty legal-sized file boxes to Greater New Orleans FCU to help pack its evacuated Canal Street office. The credit union's files became infested with fungus and mold from flooding, but no boxes were to be found within 200 miles of New Orleans. The Ohio league shrink-wrapped the boxes and shipped them overnight to New Orleans.

I personally visited the disaster area and met with credit union officers, employees, and members and listened to accounts of the impact of the catastrophes on credit unions, as well as ideas on how credit unions can better respond to the next emergency.

The credit union movement's motto is "People Helping People" and we back that up with actions. The not-for-profit nature of credit unions lends itself to our core mission of serving the underserved and those of limited financial means.

Sincerely,



Daniel A. Mica
President & CEO

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THE WHITE HOUSE
WASHINGTON

October 6, 2005

Credit Union National Association, Inc.
Madison, Wisconsin

Dear Friends:

I learned about your extraordinary contributions to help the victims of Hurricane Katrina. I appreciate your efforts, and our whole Nation is grateful for your kindness and generosity.

The scenes from Hurricane Katrina have touched our hearts, and our Nation is again showing the world that the greatest challenges bring out the best in America. Together, we will continue to bring new hope to those affected by this tragedy, and the Gulf Coast will emerge better and stronger.

The good works of the Credit Union National Association demonstrate the character and great strength of our Nation. May God bless all those affected by this storm, and may God continue to bless America.

Sincerely,

A handwritten signature in black ink, appearing to read "GWB", written over the printed name "George W. Bush".

George W. Bush