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December 7, 2017

The Honorable Jeb Hensarling
Chairman
Committee on Financial Services
House of Representatives
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
House of Representatives
Washington DC, 20515

Chairman Hensarling and Ranking Member Waters,

I am writing on behalf of the Credit Union National Association (CUNA) to express our support for certain regulatory relief measures the Committee is discussing in a hearing this week. CUNA represents America's credit unions and their 110 million members.

Credit unions throughout the United States have expressed significant concern over the National Credit Union Administration's (NCUA) risk-based capital standards rule which imposes risk-based capital standards for the purpose of determining whether a credit union is well-capitalized. Credit unions are concerned with NCUA's legal authority to implement such standards and the substantial regulatory burdens and additional cost they impose. We fully support H.R. 4464, the Common Sense Credit Union Capital Relief Act of 2017, which would repeal NCUA's risk-based capital rule.

Many Americans rely on credit unions for their insurance products, especially those who may not have access through their employer. The business of insurance is state-regulated, however, actions by the Consumer Financial Protection Bureau (CFPB) have created some uncertainty and cause for concern. For example, CFPB issued a Request for Information, which includes questions about the sale of credit insurance. Credit unions provide some of the safest and most affordable products offered and unclear rules surrounding their offering harm consumers. We strongly support H.R. 3746, the Business of Insurance Regulatory Reform Act of 2017, which clarifies Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act to ensure that the regulation of insurance is done at the state level.

Currently, as a matter of policy, NCUA reviews all existing regulations every three years. NCUA accomplishes this by identifying one-third of those for review each year and provides notice to the public for comment. We appreciate NCUA's diligent effort to regularly review existing regulations. The Comprehensive Regulatory Review Act of 2017 amends the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA) to require the Federal Financial Institutions Examination Council and federal financial regulators, including the CFPB and NCUA, to review all existing regulations once every five years. While we support this bill and the timely review of regulations, we acknowledge NCUA's effective regulatory review and do not wish to see that affected by any legislation.

We appreciate that the Committee is considering legislation to provide meaningful regulatory relief for credit unions. On behalf of America's credit unions, thank you for your time and leadership.

Sincerely,

A handwritten signature in black ink that reads "Jim Nussle".

Jim Nussle
President & CEO