April 18, 2018

The Honorable Tim Scott  The Honorable Tammy Baldwin
United States Senate  United States Senate
Washington, DC 20510  Washington, DC 20510

The Honorable Joe Manchin  The Honorable Mike Rounds
United States Senate  United States Senate
Washington, DC 20510  Washington, DC 20510

Dear Senators Scott, Baldwin, Manchin and Rounds:

On behalf of America's Credit Unions, I am writing in support of the Business of Insurance Regulatory Reform Act. The Credit Union National Association (CUNA) represents America’s credit unions and their 110 million members.

We appreciate your clarification that Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) exempted the business of insurance from the Consumer Financial Protection Bureau’s (CFPB) authority and reiterates that the regulation of insurance has been delegated to the states. In its recent proposal for small dollar and payday loans, the CFPB proposed that voluntary insurance products, such as credit insurance, be included in the loan calculation of the annual percentage rate (APR). They proposed this despite the fact that insurance is not a loan, is not under the jurisdiction of the CFPB, and is regulated at the state level. The Bureau has further waded into the area of insurance by seeking a Request for Information which includes questions about the sale of credit insurance. Furthermore, the CFPB has engaged in enforcement actions in this area.

Consumers, particularly those who may not have access to insurance products through work or elsewhere, may rely on their credit union for these products, but the Dodd-Frank Act did not provide the CFPB authority to regulate insurance products. The CFPB’s actions in this area have created uncertainty and present serious due process concerns. Accordingly, we support your efforts to clarify the CFPB’s authority with respect to persons regulated by a State insurance regulator.

On behalf of America's credit unions and their 110 million members, thank you for your time and leadership on this issue.

Sincerely,

Jim Nussle
President & CEO