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March 11, 2019

The Honorable Lee Zeldin
House of Representatives
Washington, DC 20515

The Honorable Vicente Gonzalez
House of Representatives
Washington, DC 20515

Dear Representatives Zeldin and Gonzalez:

On behalf of America's credit unions, I am writing in support of H.R. 1661, to provide the National Credit Union Administration Board flexibility to increase Federal credit union loan maturities, and for other purposes. The Credit Union National Association (CUNA) represents America's credit unions and their 115 million members.

Except for mortgage lending, Federally-chartered credit unions are prohibited by statute from making loans with maturity limits in excess of 15 years. Only Oklahoma has a similar restriction on state-chartered credit unions and no such constraint exists for banks.

August 2018, the NCUA released a proposal to extend maturity limits on certain loans such as home improvement loans in an effort to reduce regulatory burdens. CUNA commented NCUA's proposal and supported an extension of the maturity limit as this change is necessary and simply good public policy.

H.R. 1661 amends Section 107 of the Federal Credit Union Act to provide the NCUA with additional flexibility to increase loan maturity limits for Federal credit unions.

One area that this change may impact is student lending. The ability to set a longer loan maturity for Federal credit union loans would provide student borrowers across the country with more opportunities for education that is more affordable both in the short and long term. Credit unions would also be able to better service loans for the agricultural sector and other businesses requiring significant cost of entry.

On behalf of America's credit unions thank you for your leadership on this important issue. We look forward to working with you to advance this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle", is written over a printed name and title. The signature is fluid and cursive, with a large loop at the end.

Jim Nussle
President & CEO