



Jim Nussle
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September 9, 2019

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

The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
House of Representatives
Washington, DC 20515

Chairwoman Waters and Ranking Member McHenry,

On behalf of America's credit unions, thank you for holding the hearing entitled, "A \$1.5 Trillion Crisis: Protecting Student Borrowers and Holding Student Loan Servicers Accountable." The Credit Union National Association (CUNA) represents America's credit unions and the 115 million members that they serve.

Total student loan debt in the U.S. has reached \$1.5 trillion and is now the second largest factor of household debt, with the average graduate saddled with nearly \$40,000. Yet 43 percent of recent graduates are underemployed, unable to find full-time work in their fields of study, or often earning significantly less than expected.

While most student loans originate with the government, more and more credit unions are finding ways to support student borrowers through private loans. However, one barrier for many federal credit unions from entering the student lending sector is the 15-year loan maturity limit. Except for mortgage lending, Federally-chartered credit unions are prohibited by statute from making loans with maturity limits in excess of 15 years. As for state-chartered credit unions, only Oklahoma has a similar restriction and no such constraint exists for banks. The ability to set a longer loan maturity for Federal credit union loans would provide more opportunities for education that is more affordable.

As such, we strongly support H.R. 1661, to provide the National Credit Union Administration Board flexibility to increase Federal credit union loan maturities, and for other purposes. This legislation would provide the National Credit Union Administration with the additional flexibility to increase loan maturity limits for federal credit unions.

On behalf of America's credit unions and their 115 million members, thank you for the opportunity to share our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle", is written over a printed name and title.

Jim Nussle
President & CEO