



August 8, 2019

The Honorable James Inhofe, Chairman  
Senate Armed Services Committee  
228 Russell Senate Building  
Washington, DC 20510

The Honorable Adam Smith, Chairman  
House Armed Services Committee  
2216 Rayburn House Office Building  
Washington, DC 20515

The Honorable Jack Reed, Ranking Member  
Senate Armed Services Committee  
228 Russell Senate Building  
Washington, DC 20510

The Honorable Mac Thornberry, Ranking Member  
House Armed Services Committee  
2216 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Inhofe, Chairman Smith, Ranking Member Reed and Ranking Member Thornberry,

On behalf of America's credit unions, we are writing to express our views ahead of the Fiscal Year 2020 National Defense Authorization Act (NDAA) Conference. The Credit Union National Association (CUNA) and our state credit union association/league partners (collectively the CUNA/League System) represent America's credit unions and their 115 million members across all 50 states.

After years of negotiation with the Department of Defense (DoD) and through the enactment of an amendment to the Federal Credit Union Act in 1996, DoD has the discretionary authority to waive the cost for credit union land leases as well as administrative and logistical fees. This exemption is not guaranteed for every credit union on every military base. It is a negotiation between that military installation's base commander and that specific credit union. Furthermore, this exemption is limited in scope: credit unions may qualify for it only if at least 95 percent of the membership to be served by the allotment of space or the facility built on the lease land is composed of individuals who are, or who were at the time of admission into the credit union, military personnel or federal employees, or members of their families.

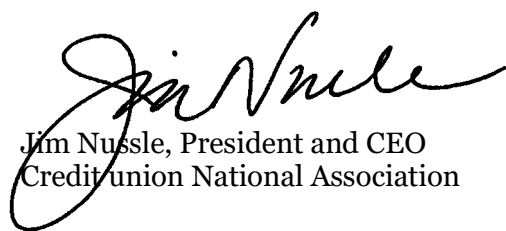
While banks may claim an argument for parity on this issue, the fact of the matter is that banks already have the ability under 10 USC §2667 to obtain the same type of waiver.

The very nature of credit unions — democratically controlled, not-for profit financial institutions — are to reinvest in our members. Credit unions on military bases are focused on ensuring the financial readiness of America's service members. The credit union mission and structure mean funds are reinvested in the bases and the military communities that they operate in through lower rates, better products and more responsive services for our servicemembers. Credit unions are able to provide the strongest community support in the face of morale, recreation and welfare funding shortfalls as we remain the only not-for-profit, member-owned financial institutions on an installation.

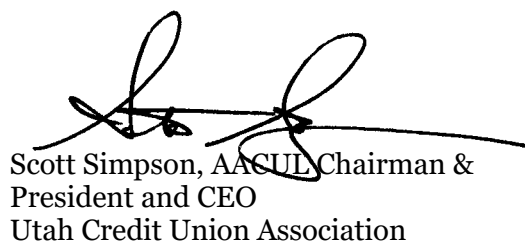
The CUNA/League System and our credit union members are extremely concerned over Section 2821 of the Senate-passed NDAA that would provide rent-free access to military installations for more complex, profit-centered financial institutions. The House-passed NDAA contains no similar language. As conference negotiations begin, we urge all conferees to reject the inclusion of Section 2821.

On behalf of America's credit unions, thank you for the opportunity to share our views.

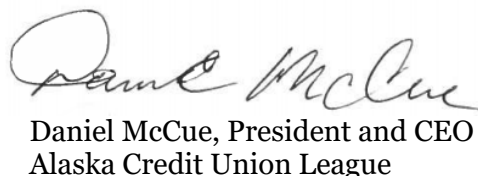
Sincerely,



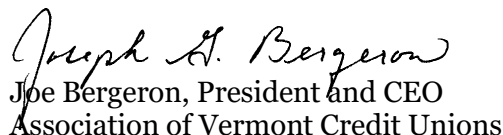
Jim Nussle, President and CEO  
Credit Union National Association



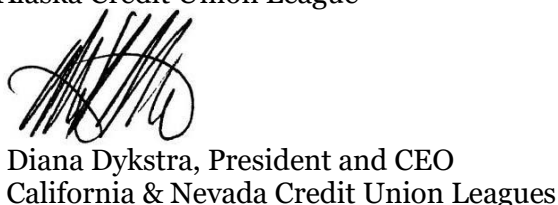
Scott Simpson, AACUL Chairman &  
President and CEO  
Utah Credit Union Association



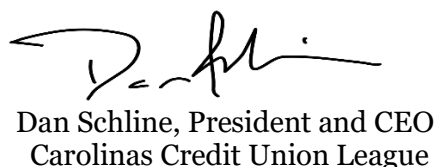
Daniel McCue, President and CEO  
Alaska Credit Union League



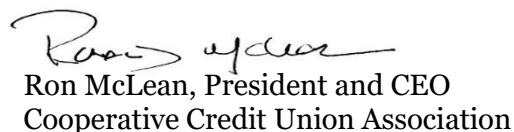
Joe Bergeron, President and CEO  
Association of Vermont Credit Unions



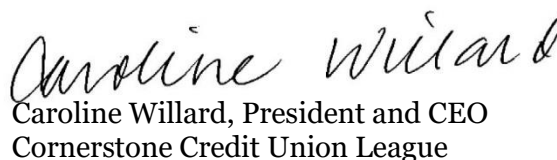
Diana Dykstra, President and CEO  
California & Nevada Credit Union Leagues



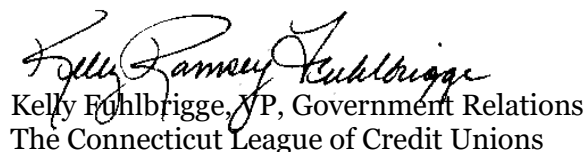
Dan Schline, President and CEO  
Carolinas Credit Union League



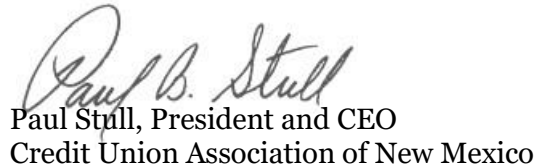
Ron McLean, President and CEO  
Cooperative Credit Union Association



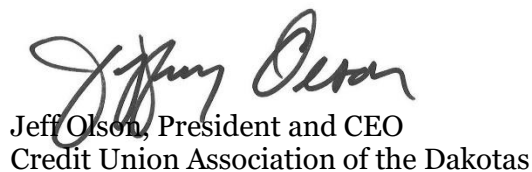
Caroline Willard, President and CEO  
Cornerstone Credit Union League



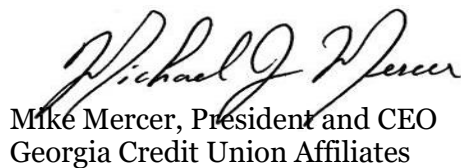
Kelly Fohlbrige, VP, Government Relations  
The Connecticut League of Credit Unions




Paul Stull, President and CEO  
Credit Union Association of New Mexico



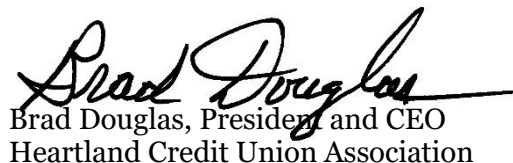
Jeff Olson, President and CEO  
Credit Union Association of the Dakotas



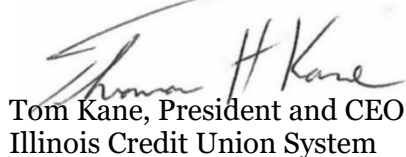
Mike Mercer, President and CEO  
Georgia Credit Union Affiliates



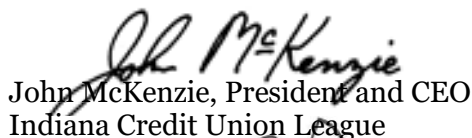
Dennis Tanimoto, President and CEO  
Hawaii Credit Union League



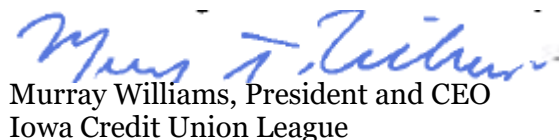
Brad Douglas, President and CEO  
Heartland Credit Union Association



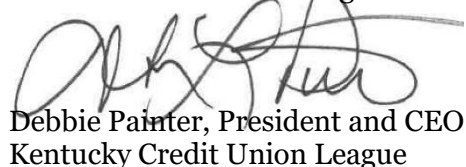
Tom Kane, President and CEO  
Illinois Credit Union System



John McKenzie, President and CEO  
Indiana Credit Union League



Murray Williams, President and CEO  
Iowa Credit Union League



Debbie Painter, President and CEO  
Kentucky Credit Union League

Patrick La Pine, President and CEO  
League of Southeastern Credit Unions

Bob Gallman, President and CEO  
Louisiana Credit Union League

Todd Mason, President and CEO  
Maine Credit Union League

John Bratsakis, President and CEO  
Maryland | DC Credit Union Association

Dave Adams, President & CEO  
Michigan Credit Union League & Affiliates

Mark Cummins, President and CEO  
Minnesota Credit Union Network

Charles Elliott, President and CEO  
Mississippi Credit Union Association

Tracie Kenyon, President and CEO  
Montana's Credit Unions

Scott Earl, President and CEO  
Mountain West Credit Union Association

J. Scott Sullivan, President and CEO  
Nebraska Credit Union League & Affiliates

David Frankil, President and CEO  
New Jersey Credit Union League

William Mellin, President and CEO  
New York Credit Union Association

Troy Stang, President and CEO  
Northwest Credit Union Association

Ohio Paul Mercer, President and CEO  
Credit Union League

Patrick Conway, President and CEO  
Pennsylvania Credit Union League

Fred Robinson, President and CEO  
Tennessee Credit Union League

Rick Pillow, President and CEO  
Virginia Credit Union League

Ken Watts, President and CEO  
West Virginia Credit Union League

Brett Thompson, President and CEO  
Wisconsin Credit Union League