



Jim Nussle
President & CEO

Phone: 202-508-6745
jnussle@cuna.coop

99 M Street SE
Suite 300
Washington, DC 20003-3799

April 13, 2021

The Honorable Sherrod Brown
Chairman
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

The Honorable Pat Toomey
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

Dear Chairman Brown and Ranking Member Toomey,

On behalf of America's credit unions, I am writing in regard to the hearing entitled, "The Student Debt Burden and Its Impact on Racial Justice, Borrowers, and The Economy." The Credit Union National Association (CUNA) represents America's credit unions and the more than 120 million members that they serve.

Total student loan debt in the United States has reached \$1.7 trillion¹ and is now the second largest factor of household debt², with the average graduate saddled with over \$37,000. Yet, a recent study found that hiring for entry-level college graduate positions has fallen 45%³.

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 urge you to support S.762, the Expanding Access to Lending Options Act, authored by Senators Scott and Cortez Masto. This important legislation would increase the loan maturity limit for federal credit unions by 5 years.

On behalf of America's credit unions and their more than 120 million members, thank you for the opportunity to share our views.

Sincerely,



Jim Nussle
President & CEO

¹ Federal Reserve Bank of St. Louis

² "COVID-19: Household Debt During the Pandemic" Congressional Research Service, October 22, 2020, <https://fas.org/sgp/crs/misc/R46578.pdf>

³ "Good Jobs in Bad Times" Burning Glass Technologies <https://www.burning-glass.com/research-project/good-jobs-bad-times/>