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April 19, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Speaker Pelosi and Leader McCarthy,

On behalf of America's credit unions, I am writing in support of H.R. 1996, the SAFE Banking Act of 2021 and H.R. 1395, the Housing Financial Literacy Act of 2021, which are scheduled to be considered on the House floor this week. CUNA represents America's credit unions and their more than 120 million members.

H.R. 1996, the SAFE Banking Act of 2021

CUNA strongly supports H.R. 1996, the SAFE Banking Act of 2021. In recent years, as various states have legalized cannabis for medicinal and recreational use, participants in the market have sought out credit unions to provide safe and affordable financial services. In recent years, 36 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands have approved medical marijuana and other cannabis programs.

CUNA takes no position on legalizing or decriminalizing medicinal or recreational cannabis at either the state or federal level. However, credit unions operating in states where it is legal have members and member businesses involved in the cannabis market who need access to traditional depository and lending services, the absence of which creates a significant public safety issue.

Additionally, financial institutions that choose not to bank the cannabis industry still risk unknowingly serving those businesses in states where cannabis is legal. Indirect connections are often difficult to identify and avoid because like any other industry, those offering cannabis-related services work with vendors and suppliers. Under the existing status quo, a credit union that does business with any one of these indirectly affiliated entities could unknowingly risk violating federal law.

That said, CUNA strongly supports the SAFE Banking Act which puts in place necessary protections to bring revenue from state-sanctioned cannabis businesses into the financial services mainstream and, as a result, keeping communities safe.

H.R. 1395, the Housing Financial Literacy Act of 2021

Ensuring consumers have the appropriate financial information and support from the start in the homebuying process is critical. The U.S. Department of Housing and Urban Development (HUD) currently has the authority to provide premium discounts to incentivize financial counseling, however the authority is currently not being used.

As such, CUNA supports H.R. 1395, the Housing Financial Literacy Act of 2021, which would require the Secretary of HUD to provide a 25-basis point discount in FHA insurance premiums for first-time homebuyers who complete a financial counseling course. This means real savings for Americans: on a \$200,000 mortgage there would be a \$500 reduction in mortgage insurance premiums per year.

On behalf of America's credit unions, thank you for advancing these important pieces of legislation to the floor for a vote.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle". The signature is fluid and cursive, with a large initial "J".

Jim Nussle
President & CEO