



Jim Nussle
President & CEO

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

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

May 25, 2021

The Honorable Al Green
Chairman
Subcommittee on Oversight and Investigations
House Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

The Honorable Tom Emmer
Ranking Member
Subcommittee on Oversight and Investigations
House Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Green and Ranking Member Emmer,

On behalf of America's credit unions, I am writing regarding the hearing entitled, "Consumer Credit Reporting: Assessing Accuracy and Compliance" The Credit Union National Association (CUNA) represents America's credit unions and their more than 120 million members.

We strongly believe that an accurate credit reporting system benefits borrowers and lenders alike. Lenders rely on an accurate and complete record of a borrower's credit situation to make underwriting decisions. Attempts to remove or modify certain types of debt from the credit reporting system will do long-term damage to lending and the ability of borrowers to get the loans they need to buy a home, start a small business, or achieve a higher education.

Further, we are concerned about the precedent that modifying credit reports sets. It may start with the removal of medical debt; tomorrow, it could be student debt; in a decade, will Congress prohibit the reporting of home mortgage debt? This is the start of a slippery slope that could fundamentally damage credit underwriting, making it harder for lenders to make safe and sound credit decisions.

Restrictions on the reporting or consideration of certain debt prevents lenders from seeing borrowers' complete debt circumstances and clouds lenders' ability to fairly assess borrowers' creditworthiness. An incomplete view of borrowers' credit history reduces lender confidence in credit reports and scores, impacting pricing decisions and credit availability. The borrowers most impacted by the consequences of inaccurate credit reports will be low- and moderate-income borrowers whose financial well-being could benefit the most from access to affordable credit from a credit union.

Credit unions value their members' financial well-being. Proposals to alter the credit reporting system jeopardize the ability of lenders to make safe and sound underwriting decisions that ultimately harm that financial well-being.

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

Sincerely,

A handwritten signature in black ink that reads "Jim Nussle".

Jim Nussle
President & CEO