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**National Association of Federally-Insured Credit Unions**

February 27, 2018

The Honorable Steve Chabot  
Chairman  
Small Business Committee  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Nydia Velázquez  
Ranking Member  
Small Business Committee  
U.S. House of Representatives  
Washington, D.C. 20515

**Re: Today's Hearing: "How Red Tape Affects Community Banks and Credit Unions: A GAO Report"**

Dear Chairman Chabot and Ranking Member Velázquez:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally-insured credit unions, I write today in conjunction with today's hearing examining the United States Government Accountability Office (GAO) report that was released last month. Thank you for holding this hearing and allowing NAFCU to share its views.

The recent GAO report released in January found that regulators' analyses "could undermine the goal of [Regulatory Flexibility Act (RFA)] and limit transparency and public accountability." NAFCU is concerned that the study highlighted that regulators', "analyses lacked key information that the Small Business Administration and Office of Management and Budget recommend, including data sources, methodology and definitions of criteria." We also find it particularly worrisome that during the review of the CFPB's regulatory flexibility analyses it was found that some of their rules did not estimate compliance costs for small entities like credit unions. We appreciate the Committee examining these findings and looking for ways to address these issues. We stand ready to work with you.

Credit unions and their 111 million members strongly support efforts to ensure all federal agencies consider the impact of their rules on small institutions and the economy. We thank the Committee again for holding this important hearing and examining this report and the regulations that are heavily impacting credit unions. If my colleagues or I can be of assistance to you, or if you have any questions regarding this or any other issue, please feel free to contact myself or NAFCU's Associate Director of Legislative Affairs, Allyson Browning, at (703)-842-2836 or [abrowning@nafcu.org](mailto:abrowning@nafcu.org).

Sincerely,

Brad Thaler  
Vice President of Legislative Affairs

cc: Members of the Committee on Small Business