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B. Dan Berger
President & Chief Executive Officer

National Association of Federal Credit Unions | nafcu.org

February 9, 2016

The Honorable Jeb Hensarling
Chairman
House Financial Services Committee
United States House of Representatives
Washington, D.C. 20515

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

Re: NAFCU Stands Ready to Assist in Reducing Regulatory Burdens Effort

Dear Chairman Hensarling and Chairman Chabot:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally-insured credit unions, I write to you today in your capacity as members of Speaker Ryan's "Confident America" task force for reducing regulatory burdens. NAFCU appreciates your leadership and looks forward to working with you as you seek to provide relief and work towards economic growth and prosperity.

The need for regulatory relief for credit unions is great. Credit unions are struggling with costs associated with compliance, stemming from the relentless regulatory burdens imposed by federal agencies, particularly those with direct jurisdiction over credit unions, including the National Credit Union Administration (NCUA) and Consumer Financial Protection Bureau (CFPB). NAFCU is pleased that the need for regulatory relief for credit unions has bipartisan recognition. We urge you to work together to ultimately enact substantial regulatory relief for credit unions.

The impact of this growing regulatory burden on credit unions is evident in the declining number of credit unions, dropping by 24% (more than 2,000 institutions) since 2007. A main reason for the decline is the growing cost and complexity of complying with the ever-increasing onslaught of regulations. Since the 2nd quarter of 2010, we have lost over 1,350 federally-insured credit unions, 96% of which were smaller institutions below \$100 million in assets.

Credit unions are often forced to merge or simply shut their doors as a result of an inability to cope with regulatory burdens. While credit unions were not the cause of the financial crisis, they are still subject to the CFPB and many regulations intended for those that were. Consequently, finding ways to cut-down on burdensome and unnecessary regulatory compliance costs is a chief priority of our members. There is an urgent need for Congress to enact meaningful regulatory relief and NAFCU is pleased to see that leadership has seen fit to designate a task force to focus on this critical necessity.

NAFCU members are on the front lines of this battle and can provide ground level insight into the struggles facing the credit union industry in the current regulatory environment. NAFCU stands ready to assist you in your efforts and hopes you will not hesitate to contact us if we can be helpful in any way. Again, NAFCU looks forward to working with you as you look for ways to provide regulatory relief and work towards economic growth and prosperity.

Thank you for your attention and for undertaking this task of great importance to credit unions. Should you have any questions or require any additional information please contact me or Brad Thaler, NAFCU's Vice President of Legislative Affairs, at 703-842-2204 or bthaler@nafcu.org.

Sincerely,



B. Dan Berger
President and CEO

Thanks for your continued support & friendship!

cc: Chairman Mike Conaway, Agriculture Committee
Chairman Fred Upton, Energy & Commerce Committee
Chairman Bob Goodlatte, Judiciary Committee
Chairman Rob Bishop, Natural Resources Committee
Chairman Jason Chaffetz, Oversight & Government Reform Committee
Chairman Lamar Smith, Science, Space, and Technology Committee
Chairman Bill Shuster, Transportation & Infrastructure Committee
