



3138 10th Street North
Arlington, VA 22201-2149
703.842.2215 | 800.336.4644
f: 703.522.2734
dberger@nafcu.org | nafcu.org

B. Dan Berger
President & Chief Executive Officer

National Association of Federally-Insured Credit Unions

January 9, 2023

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

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

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Re: NAFCU's 2023 Advocacy Priorities for Credit Unions

Dear Leader Schumer, Speaker McCarthy, Leader McConnell, and Leader Jeffries:

I write to you today on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) to share our 2023 advocacy priorities for the First Session of the 118th Congress. As you are aware, NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve over 134 million consumers with personal and small business financial service products. Each year the NAFCU Board, made up of credit union CEOs from around the country, identifies the top issues in the upcoming year that impact credit unions and establishes the tenets that are important to the industry.

NAFCU outlines these broad advocacy tenets below and covers them in more detail in the attached outline. We look forward to you working with us in these areas on the top issues for credit unions in the year ahead:

- **Growth**: Advocating for a legislative and regulatory environment that allows credit unions to grow so they can serve more Main Street Americans and the small businesses they rely on. Preserving the credit union tax exemption, modernizing outdated Federal Credit Union Act provisions, and reforming field of membership policies so credit unions can better serve their communities.
- **Technology and Innovation**: Supporting innovation and strong technology partnerships that allow credit unions to compete on a level playing field. Updating the Electronic Fund Transfer Act (EFTA) to support real-time payments, opposing legislative efforts to limit credit unions' interchange income or provide the National Credit Union Administration

The Honorable Charles Schumer, The Honorable Mitch McConnell
The Honorable Kevin McCarthy, The Honorable Hakeem Jeffries
January 9, 2023
Page 2 of 2

(NCUA) third-party vendor examination authority, and pushing for reasonable regulation of AI and machine learning technologies.

- **Regulatory Relief:** Reducing regulatory burden through relevant, targeted rulemaking and clear rules of the road. Maintaining a strong, three-board member NCUA as the primary regulator for credit unions, supporting Consumer Financial Protection Bureau structural reform and funding clarity, and encouraging continued examination modernization and consistency.
- **Fair Market:** Combatting big bank attacks and ensuring regulators hold all depository institutions and lenders accountable, including emerging fintechs. Fighting for increased supervision of fintechs, updating the EFTA to evenly distribute error resolution responsibilities, holding third-party providers accountable for fraud, and supporting expanded loan maturities and member business lending flexibility.
- **Data Protection:** Fighting for a uniform national standard for data privacy and security that recognizes existing regulatory requirements for credit unions. Increasing cybersecurity coordination among federal agencies, opposing overreach in data collection requirements, and ensuring that a federal data privacy standard aligns with [NAFCU's principles](#).

We thank you for the opportunity to share our thoughts and priorities and look forward to working with you in the First Session of the 118th Congress. 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

cc: Members of the United States Senate
Members of the United States House of Representatives



2023 ADVOCACY PRIORITIES



GROWTH

Advocating for a legislative and regulatory environment that allows credit unions to grow so they can serve more Main Street Americans and the small businesses they rely on.



TECHNOLOGY & INNOVATION

Supporting innovation and strong technology partnerships that allow credit unions to compete on a level playing field.



REGULATORY RELIEF

Reducing regulatory burden through relevant, targeted rulemaking and clear rules of the road.



DATA PROTECTION

Fighting for a uniform national standard for data privacy and security that recognizes existing regulatory requirements for credit unions.



FAIR MARKET

Combatting big-bank attacks and ensuring regulators hold all depository institutions and lenders accountable, including emerging fintechs.

We'll continue to tell your stories and take the right positions on issues—even when others back down. Because to us, it's personal. We'll stop at nothing to ensure a legislative and regulatory environment that promotes viability and growth for credit unions. That's why we're working tirelessly for you to:

GROWTH

- › Preserve the credit union tax exemption and expand investment options
- › Reform field of membership and housing finance policies so you can better serve your communities
- › Modernize outdated Federal Credit Union Act provisions that currently stunt credit union growth
- › Streamline the CDFI application process and support a CDFI Fund that works for you
- › Combat proposals for direct government lending, postal banking, and statutory authority for NCUA to assess a SIF

TECHNOLOGY & INNOVATION

- › Update the Electronic Fund Transfer Act (EFTA) to recognize the evolving payments landscape and support real-time/faster payments and the FedNow program
- › Oppose legislative efforts to limit interchange income for credit unions and provide the NCUA with third-party vendor examination authority
- › Support credit unions' ability to provide services for digital assets and utilize blockchain technology
- › Push for reasonable regulatory oversight of AI and machine learning technologies

DATA PROTECTION

- › Ensure that a federal data privacy standard aligns with NAFCU principles and credit union needs
- › Increase cybersecurity coordination among regulators and agencies
- › Oppose overreach in data collection requirements and increase accountability for breaches

REGULATORY RELIEF

- › Maintain a strong, three-board member NCUA as the primary regulator for credit unions
- › Support CFPB structural reform, funding clarity, and expanded use of exemption authority while curtailing UDAAP authority
- › Oppose frivolous litigation and any efforts to place new restrictions on lending and credit reporting that can threaten the ability to meet the needs of members
- › Encourage continued examination modernization and consistency

FAIR MARKET

- › Fight for increased supervision of fintechs and other non-depository financial institutions
- › Hold third-party application providers accountable for fraud
- › Push for changes to the EFTA to evenly distribute error resolution responsibilities
- › Support expanded loan maturities and increased flexibility for member business lending
- › Oppose expanded Community Reinvestment Act coverage and efforts to restrict credit union and bank mergers