



3138 10th Street North
Arlington, VA 22201-2149
703.522.4770 | 800.336.4644
f: 703.524.1082
nafcu@nafcu.org | nafcu.org

National Association of Federally-Insured Credit Unions

March 10, 2021

The Honorable Mike Quigley
Chairman
Subcommittee on Financial Services and
General Government
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Steve Womack
Ranking Member
Subcommittee on Financial Services and
General Government
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Re: Oversight Hearing of the United States Postal Service

Dear Chairman Quigley and Ranking Member Womack:

I am writing on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) regarding tomorrow's oversight hearing of the United States Postal Service (USPS). NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve 123 million consumers with personal and small business financial service products. NAFCU appreciates your work to ensure Congressional oversight of the USPS, and we would like to take this opportunity to share our members' thoughts on proposals to reform the USPS.

NAFCU strongly supports the important core work of the USPS which credit unions across the nation and of all sizes use to communicate with their members, to send statements, to receive payments, and to market new products or services to their members. For these reasons, credit unions are committed to identifying long-term solutions to ensure an efficient, self-sustaining, and affordable U.S. postal system. As you are aware, in the last Congress an amendment was offered to the FY 2021 appropriations bill that would have established a pilot program for postal banking. NAFCU does not support such a proposal being included in future appropriations legislation. The USPS was established to provide letter, parcel and package delivery services to the country, and an expanded foray into financial services would be both beyond these powers and add a responsibility in which the USPS has no expertise. In fact, both the U.S. Treasury and USPS itself have both issued statements discouraging the notion of postal banking being an efficient use of time or resources.

Postal banking is not one of the solutions to the current issues facing the USPS, nor is it a viable solution for providing financial services to historically underserved communities. NAFCU and our member credit unions are very concerned that allowing the USPS to provide banking services will be beyond its core competencies, raise a number of serious regulatory and consumer protection questions, and present significant competitive issues for private sector entities. If Congress would like to expand access to financial services, we urge you to consider other steps, such as allowing all credit unions to add underserved communities to their field of membership. This would be one way to help provide additional access to regulated financial services for those in underserved communities, while not creating costly new programs with uncertain effectiveness and impact.

The Honorable Mike Quigley
The Honorable Steve Womack
March 10, 2021
Page 2 of 2

We thank you for the opportunity to share our thoughts in advance of tomorrow's hearing. Should you have any questions or require any additional information, please contact me or Lewis Plush, NAFCU's Associate Director of Legislative Affairs, at 703-842-2261.

Sincerely,

A handwritten signature in cursive script that reads "Brad Thaler".

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the U.S. House Appropriations Committee Financial Services and General Government Subcommittee