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National Association of Federally-Insured Credit Unions

June 4, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
United States Senate
Washington, D.C. 20510

Re: Next Phase of Coronavirus Response Legislation

Dear Leader McConnell and Leader Schumer:

I write to you today on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) to ask for your support for our nation's credit unions as the Senate considers additional steps designed to provide pandemic relief and economic recovery. Credit unions are working with consumers during these times of economic uncertainty. As you are aware, NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve 120 million consumers with personal and small business financial service products.

Credit unions are keenly aware of the hardships their members are facing due to the COVID-19 pandemic and are working around the clock to proactively assist them. First and foremost, credit unions are concerned about the health and safety of their staff and members. Many are taking steps to help minimize person-to-person interaction, such as limiting staff travel, encouraging staff to telework as much as reasonably possible, and reminding members of online and mobile banking resources as well as drive through windows, if available. Furthermore, many credit unions have implemented programs to protect their members' financial health, including skipping payments without penalty, waiving fees, low or no-interest loans, loan modifications and no interest accruals.

As Congress and the Administration take steps in crafting the next pandemic relief package, we urge you to keep the concerns of credit unions and the 120 million Americans they serve top of mind. We would like to share our thoughts with you in three areas: (1) fixes or updates to earlier relief efforts to address the concerns of credit unions; (2) additional relief measures to help credit unions meet the needs of members in light of the pandemic; and (3) the importance of not enacting proposals that will harm credit unions or their ability to serve their members in the economic uncertainty ahead. We hope you will address our asks as you craft future relief measures.

Updates Needed to Earlier Phases of COVID-19 Relief

We thank you for your leadership in already enacting multiple phases of pandemic response and relief. A number of measures in these phases have helped credit unions and their members deal with these challenging economic times. As the provisions from these relief efforts have been implemented, credit unions have identified several areas that we would encourage you to revisit to improve their efficacy:

SBA Paycheck Protection Program

Credit unions have stepped up to ensure small businesses in their communities are taken care of during these uncertain times, and their response through the Paycheck Protection Program (PPP), the Small Business Administration (SBA) lending program created by section 1102 of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act), has been tremendous. After a tumultuous start, NAFCU is pleased that the U.S. Department of the Treasury and the SBA have taken steps to provide guidance and clarity to financial institutions participating in the PPP. While guidance is still needed on the process for advance purchase of PPP loans, the SBA has indicated that an interim final rule (IFR) is forthcoming. **We ask Congress to ensure that the SBA provides this guidance promptly and, more generally, that Treasury and the SBA have the tools and resources to properly administer the PPP and to inform lenders on how to use the program.**

We are pleased that Congress acted to authorize additional funding for the PPP, with NAFCU-supported set asides for community institutions, after the first round of funding was exhausted. Considering the importance of the PPP for the survival of small businesses during this pandemic, **we urge you to continue to support this program both in funding and improvements as they are needed.** NAFCU urges Congress to continue to set aside PPP funds for community financial institutions, as well as consider additional set asides specifically for Community Development Financial Institutions (CDFIs) and minority depository institutions (MDIs) in future rounds of funding. We appreciate that Treasury and the SBA acted on May 28, 2020 to allocate \$10 billion of second-round PPP funding to lending by CDFIs. In addition, we ask Congress to consider other measures to help community financial institutions promptly make PPP loans, such as a dedicated processing window for small lenders, similar to the dedicated window the SBA employed during the second round of funding, but at the outset of the third round of funding.

NAFCU also supports the provisions in S. 3833, the *Paycheck Protection Program Extension Act*. In particular, the bill's clarifications to the lender hold harmless provision will provide important protections for credit unions and other community institutions who are working hard to assist small businesses with PPP loans. Credit unions made every effort to offer PPP loans to small businesses in their communities despite the limited guidance at the outset of the PPP program. An explicit hold harmless provision provides credit unions with the confidence to make loan forgiveness decisions. We urge you to include those provisions from S. 3833 not addressed in H.R. 7010, the *Paycheck Protection Program Flexibility Act of 2020*, in the next relief package.

Forbearance under Sections 4022 and 4023 of the CARES Act

NAFCU would like to highlight credit unions' concerns with sections 4022 and 4023 of the CARES Act, which provide borrowers with forbearance options for single-family and multifamily loans sold to the government-sponsored enterprises (GSEs), respectively. Credit unions stand ready to help their members remain in their homes but may also be facing difficulties handling the large volume of forbearance requests. Credit unions are experiencing many members submitting requests for forbearance as countless individuals are furloughed or laid-off from their jobs as a result of the COVID-19 pandemic and facing financial hardship. However, credit union mortgage servicers still have some contractually obligated payments to make. The four-month limitation on servicer payments of principal and interest on loans in forbearance recently announced by the Federal Housing Finance Agency (FHFA) was an important step as the CARES Act did not address

these broader issues. It is important that the FHFA and GSEs remain as transparent as possible with respect to expectations for servicers during these unprecedented times and offer assistance programs for servicers encountering difficulties making the required payments to the GSEs on mortgages and mortgage-backed securities (MBS). We ask that you echo these requests to the FHFA, as well as consider legislative action to ensure that this health crisis does not become another financial crisis.

Servicers are also required to advance other payments related to mortgages in forbearance, which could constrain their ability to offer more loans to their communities. **Congress should enact measures to address this concern, including: (1) directing insurance companies to keep hazard insurance policies in place during a period of forbearance; (2) directing the National Flood Insurance Program (NFIP) to keep flood insurance in place during a forbearance; and (3) addressing the issue of property tax payments during a period of forbearance,** such as the Federal government stepping in to make required payments to local governments during the forbearance period instead of putting the burden on the financial institution. We are also concerned about proposals for mandated blanket loan forbearances as a response to the pandemic.

Liquidity for Credit Unions

NAFCU asks that you make the changes to the Central Liquidity Facility (CLF) in section 4016 of the CARES Act permanent. We would note that National Credit Union Administration (NCUA) Chairman Rodney Hood and Board Member Todd Harper have both called on Congress to make these changes permanent. The CLF is an important liquidity tool for credit unions, and the recovery ahead will likely extend beyond the end of 2020 when the changes are set to expire. Additionally, we support a statutory change to grant temporary authority to the NCUA Board to allow federally chartered credit unions the ability to lend to other credit unions. NAFCU believes strong liquidity is vital to ensuring loans to struggling families and small businesses continue to flow within the credit union system.

Parity for Credit Unions with Community Bank Provisions in the CARES Act

NAFCU asks that you consider providing credit unions with parity on a couple of provisions in the CARES Act that provide community banks with additional relief to weather the pandemic. Section 4008 of the CARES Act appears to allow the Federal Deposit Insurance Corporation (FDIC) to establish an unlimited maximum guarantee, whereas the “equivalent” provision for the NCUA appears to only apply to noninterest bearing transaction accounts. **We ask that you provide the NCUA with the same powers as the FDIC, extending their ability to establish a maximum guarantee to all shares or deposits held in a federally-insured credit union.**

Furthermore, section 4012 of the CARES Act provides banking regulators with the authority to temporarily lower the Community Bank Leverage Ratio (CBLR) from nine percent to eight percent. Before the pandemic, the NCUA Board had expressed interest in adopting an analog to the CBLR in conjunction with its risk-based capital rule; however, the more immediate constraint on credit union capital takes the form of statutorily prescribed net worth levels under the *Federal Credit Union Act's* (FCU Act) prompt corrective action (PCA) provisions. In his April 29, 2020 letter to Senate Banking Committee Chairman Mike Crapo, NCUA Board Chairman Hood requested temporary capital flexibility for the NCUA and credit unions. Specifically, he asked for

“a reduction in the level at which credit unions are considered well capitalized from a net-worth ratio of seven percent to six percent and adequately capitalized from six percent to five percent during the pandemic.” **NAFCU asks that you support this request for temporary capital flexibility for credit unions**, so that credit unions may loan more to their members who need it.

Additional Relief Measures Will Help Credit Unions Continue to Serve Their Members

As you are aware, credit unions are working with their members as they face difficulties relating to the pandemic. At the same time, credit unions are facing significant challenges themselves as they balance stay-at-home orders with being an essential service for their members. There are important steps that Congress can take to help credit unions do more to serve the American consumer and small businesses during these uncertain times and the economic recovery ahead. We urge Congress to take the following steps to provide relief to credit unions and their members in Phase IV:

Allow Credit Unions to Do More to Help Small Businesses

Credit unions face arbitrary restrictions in the FCU Act on the ability to offer member business loans (MBLs). In 1998, Congress codified the definition of an MBL and limited a credit union’s member business lending to the lesser of either 1.75 times the net worth of a well-capitalized credit union or 12.25 percent of total assets. **Congress must increase access to lending for our nation’s small businesses by amending the FCU Act to provide credit unions greater relief and flexibility from the MBL cap.** As the country faces recovery from the impact of COVID-19 on the economy, many credit unions have the ability to help small businesses create jobs and stimulate the economy. However, due to the outdated and arbitrary MBL cap, that ability is hampered. Providing relief from the cap would help provide economic stimulus and create jobs without using taxpayer funds to do so. This idea has strong bipartisan support in the House and support from every member of the NCUA Board.

There are multiple approaches to accomplish this. NAFCU supports bipartisan legislation pending in the House (H.R. 6789) and Senate (S. 3676), the *Access to Credit for Small Businesses Impacted by the COVID-19 Crisis Act of 2020*, which would provide temporary relief from the MBL cap for loans to help small businesses recover from the COVID-19 crisis. We urge you to include this legislation in the next coronavirus relief package. We also support Congress raising the threshold for what counts as a business loan under the cap (currently \$50,000) to a higher level (such as \$200,000), which could open additional lines of credit to small and micro businesses. This \$50,000 threshold has not been updated since the cap was established in 1998 and has eroded in value over time. Modernizing it now would allow more credit unions to help small business by offering important lines of credit as they seek to recover.

CECL Accounting Standard

Credit unions remain well-capitalized as an industry and stand ready to help in the economic recovery. However, pending new capital requirements from regulators could stymie these efforts. Even though the Financial Accounting Standards Board (FASB) has delayed its new Current Expected Credit Loss (CECL) standard for credit unions until the first quarter of 2023, credit unions will have to start bringing their portfolios in line in 2021 and 2022. The temporary relief

for 2020 provided in the CARES Act is a good first step. Still, CECL will remain a burden on credit unions as the economy seeks to recover. This could cause constraints on lending and delay our nation's economic recovery. **NAFCU believes that credit unions, as not-for-profit cooperative institutions, should not be subject to the CECL standard.** If credit unions are not exempted, further delaying implementation of this standard could help provide additional clarity and relief for credit unions. We would note that NCUA Chairman Hood called for a credit union exemption to the CECL Standard in an April 30, 2020 letter to FASB, stating that "...the compliance costs associated with implementing CECL overwhelmingly exceed the benefits."

In the alternative, Congress could also grant the NCUA greater interpretive control over CECL to mitigate its day one adverse impact to credit union capital and any negative, procyclical effects it might have on credit availability during a period of economic recovery. As compared with the other banking regulators, the NCUA faces unique statutory limits on how far it can deviate from Generally Accepted Accounting Principles (GAAP). Absent Congressional action to clarify CECL's applicability to federally-insured credit unions, the NCUA must follow the standard as written by a private standards-setting organization that has no prudential regulatory experience. This poses safety and soundness risks, particularly when additional credit and liquidity may be needed to sustain economic recovery. We hope you will continue to examine legislative measures to provide relief from CECL in the next coronavirus relief package.

Net Worth Restoration Plan Flexibility

NAFCU supports granting the NCUA Board the authority to waive the requirements of a net worth restoration plan for credit unions that are less than adequately capitalized for up to 180 days. The current pandemic may lead to temporary deterioration in net worth ratios at a small number of credit unions. NCUA Chairman Hood has specifically asked for this authority, recognizing that providing greater flexibility in meeting capital restoration requirements could reduce administrative burdens during a time of high operational stress. NAFCU also supports NCUA Chairman Hood's request to give the NCUA Board greater flexibility to delegate the authority to make decisions to address the changes to capital levels at smaller, otherwise sound credit unions that are experiencing a fluctuation of capital levels a result of the pandemic.

Provide Emergency Funding for CDFIs and the CDRLF

The CDFI Fund and the NCUA's Community Development Revolving Loan Fund (CDRLF) are important tools for credit unions to have access to funds to help underserved and lower-income communities. **NAFCU urges Congress to increase funding for the CDFI and CDRLF programs.** Providing \$1 billion in emergency funding for the CDFI Fund would allow more credit unions to access monies to provide specific programs to help their members, and NAFCU appreciates that this funding was included in the House's Phase IV relief bill, the *Health and Economic Recovery Omnibus Emergency Solutions Act* (HEROES Act). We would also urge you to consider measures to make it easier for credit unions to become a CDFI. In regard to the CDRLF, NCUA Board Member Harper has specifically called for at least \$10 million more for grants in 2020 to help low-income credit unions. CDRLF funds allow NCUA to provide technical assistance grants to credit unions serving low-income communities. Increasing these grants can help ensure that these credit unions have work-from-home infrastructure in place that is appropriately secure during social distancing measures. NCUA has seen a strong increase in demand for these grants

due to the pandemic and is unlikely to have enough funding currently to meet the demand without additional funding.

Establish an Emergency Flexible QM Standard and Extend the GSE Patch

Congress should establish an emergency Qualified Mortgage (QM) standard with flexible requirements that permits credit unions to make prudent loans for borrowers in crisis without losing the benefit of a safe harbor that it properly considered the member's ability to repay the loan under the *Truth in Lending Act* (TILA). There are provisions of the current QM rules around determining income, liabilities and debt-to-income ratios that are unworkable in these emergency situations and, without the protection of the QM safe harbor, loans being made during the crisis could subject credit unions to litigation. The addition of an emergency QM standard can establish safe and sound lending procedures within the context of the current crisis and allow credit unions a measure of insulation from future litigation related to the ability-to-repay requirements.

Furthermore, to prevent market disruptions and ensure that consumers continue to have access to safe and affordable mortgage credit, **Congress must act to extend the Temporary Government-Sponsored Enterprises (GSE) QM patch (or GSE patch) for a suitable amount of time if the Consumer Financial Protection Bureau (CFPB) declines to do so.** While the CFPB has indicated that they intend to temporarily extend the patch, they have not yet issued a proposed QM rule, so the timing remains uncertain. As NAFCU has shared with Congress and the CFPB, the GSE Patch has been a key factor in credit unions' ability to lend to members of their communities, especially those of low- and moderate-income. Allowing the patch to expire in the midst of the uncertainty due to the pandemic would further destabilize a housing market that is already under significant pressure.

Expand the Definition of Community Financial Institution in the Federal Home Loan Bank Act

NAFCU urges Congress to expand the definition of Community Financial Institution (CFI) in the Federal Home Loan Bank (FHLB) Act to include credit unions and to raise the asset threshold to \$10 billion. Currently, the FHLB Act only recognizes FDIC-insured institutions up to \$1.224 billion in assets as CFIs. Under the Act, a CFI can pledge small business, small farm, small agri-business, and community development loans to a FHLB as expanded options of collateral for advances. Including credit unions in this definition and raising the threshold to \$10 billion for all CFIs will give credit unions the same exemption from the mortgage lending threshold for FHLB membership that community banks currently enjoy and provide greater lending capacity for a number of credit unions.

Allow Credit Unions to Do More to Help Underserved Populations

Credit unions want to help the American consumer, especially in turbulent times. Too many Americans are unbanked, underbanked or underserved by financial institutions, and do not have the access that they need to financial services. Credit unions stand ready to help with financial literacy education and access to loans and other financial products, but many are limited in their ability to add underserved areas to their field of membership. Currently, only multiple common bond federal credit unions are permitted to add underserved areas to their fields of membership. **Congress should amend the FCU Act to allow all credit unions to add underserved areas to their fields of membership.** This is one way to help those who need it most have access to capital

at no cost to the federal government. For example, many credit unions are limited on who they can serve with the aforementioned PPP. Small businesses in rural and underserved areas may have limited access to lenders. Allowing all credit unions to add underserved areas will open the door to more lenders being able to help those in rural and underserved markets. This request has bipartisan NCUA Board support and has had bipartisan support in past Congresses.

Provide Relief from Outdated Field of Membership Restrictions

Social distancing and the pandemic have put an increased focus on mobile banking as credit unions have had to significantly limit or suspend in-person transactions in their branches, or work with members who do not want to get service in person. These restrictions have led many credit union members to conduct all of their financial transactions through online banking and other electronic means. NCUA Chairman Hood noted in the aforementioned April 29, 2020 letter to Senate Banking Committee Chairman Mike Crapo that this has highlighted the need for statutory changes to the “reasonable proximity” requirement that a group seeking credit union service from a multiple common bond credit union be in reasonable proximity to a credit union service facility.

Geographic proximity is no longer a significant factor for the formation and purpose of an association in today’s environment. Due to the explosive growth of technology and digital communication platforms, today’s society is ubiquitous and widespread. Association members can form a cohesive bond and be integrally related regardless of geographic location because modern technology provides platforms on which individuals can connect to one another from anywhere in the world. In today’s modern world of teleconferences, Zoom meetings and webinars, association members can participate in activities developing common loyalties, mutual benefits, and shared interests without geographic restriction. **Therefore, we ask Congress to modernize credit unions’ field of membership requirements in recognition of today’s technology-driven environment in order to expand consumer access to credit union services.**

Modernize Outdated Governance Provisions Found in the FCU Act

A number of provisions relating to the governance of federal credit unions are outdated and need modernizing. For example, provisions requiring an in-person member meeting are particularly concerning during these times of COVID-19 uncertainty. At a time when few people may want to congregate in large groups, an outdated provision requiring a group meeting for actions that can be handled by a board or virtually only serves to put credit union volunteers and leadership at risk. There is already bipartisan legislation pending in the Senate, S. 3323, that would remove the requirement for a special in-person meeting of the members of a credit union and replace it with board action to expel a member for threats or criminal acts against the credit union, its employees or its members. **We urge Congress to enact S. 3323 to address this outdated in-person meeting requirement.** Such a measure is a common-sense step Congress can take to help credit unions in the current environment.

Raise the 15-Year Maturity Limit on Certain Credit Union Loans

Credit unions have a long track record of providing provident credit to members during times of uncertainty. However, as noted above, outdated provisions in the FCU Act sometimes hamper those efforts. This is the case with the 15-year general maturity limit found in the FCU Act for most credit union loans (with certain exceptions, such as owner-occupied mortgage loans). This

limit hampers credit unions' ability to provide certain products, such as student loans and mortgage loans to those who may be looking to take advantage of great rates and purchase a future home, such as members of the military who may be stationed out of an area. The ability to extend loan maturities can also help credit unions lower monthly payments to their members during the economic recovery. Bipartisan legislation to help on this issue has been introduced in both the House (H.R. 1661) and the Senate (S. 3389). Also, NCUA Chairman Hood has voiced his support for raising the 15-year general maturity limit. **We urge Congress to enact this loan maturity relief for credit unions.**

Modernize the E-SIGN Act

The *Electronic Signatures in Global and National Commerce Act* (E-SIGN Act) was passed nearly 20 years ago and generally allows electronic signatures and documents to carry the same legal weight as hard copy or paper documents. At a time when social distancing has become paramount to the health and safety of credit union members, employees, and their families, credit unions are discovering that some of the E-SIGN Act's outdated provisions have become a burden. Over 90 percent of NAFCU members responding to a survey noted challenges in getting documents signed in light of the pandemic. **Congress needs to modernize provisions in the E-SIGN Act to help credit unions better meet the needs of members, while respecting social distancing requirements.**

Limit Liability for Essential Businesses

With credit unions and other financial institutions deemed "essential" to remain open and serving consumers, it is important that they do not face undue legal liability from those who may seek to exploit them for financial gain concerning COVID-19. **Congress should enact legislation to ensure that essential businesses that are serving as "good actors" to the public by providing important services are not targets of demand letters and lawsuits because of it.**

Oppose Provisions That Will Harm Credit Unions and Their Members

We would urge Congress to reject any idea, even if well-meaning, that could place new hardships on credit unions and hamper their ability to help members get access to credit. Enacting provisions now that harm community financial institutions could exacerbate the current health crisis into a new financial crisis:

Oppose Any Effort to Extend Interchange Price Caps

We are dismayed to learn that some groups have proposed extending debit interchange price caps to credit cards as a response to the crisis. When the price cap was set on debit interchange rates in the Dodd-Frank Act, the retail industry did not follow through on their promise to pass on interchange fee savings to their customers. Now they are asking for the same failed price controls to be extended to credit card transactions in response to the pandemic. This would cause irreparable harm to credit unions and could damage the availability of credit to consumers.

The electronic payments system is a two-sided market, with consumers on one side and merchants on the other. Both sides benefit from the arrangement, with card networks setting interchange rates based on the cost of doing business, and the benefit to consumers and merchants. The credit card

system allows consumers to purchase goods and services from merchants that they may not be able to otherwise. In the wake of the pandemic, many merchants are requesting cashless payments for employee safety. This is evidence that the electronic payments system offers real value to merchants and consumers alike. Ultimately, merchants receive far more value from accepting electronic payments than they pay in interchange fees. Any new caps on interchange fees would only hurt community institutions, such as credit unions, and American consumers. **NAFCU opposes these efforts, and we urge you to reject proposals to extend interchange price caps.**

Reject Efforts That Could Lead to Elimination of Courtesy Pay Programs

We are concerned that some have called for a moratorium on courtesy pay fees, which could lead to an elimination of this important option for consumers. Such a blanket moratorium may end up denying credit union members a service they have indicated they want and have affirmatively consented to. A number of institutions are already waiving fees and helping members with alternative options, including short-term low- or no-interest loans. The courtesy pay program allows credit unions to pay a transaction even when the consumer has insufficient or unavailable funds in the account. This can be a faster way to help consumers in need make necessary payments or get needed supplies. A blanket effort to eliminate courtesy pay fees may force institutions to stop many of these programs due to concerns about abuse and financial impact on the institution. Consumers could then lose out on this immediate assistance option, which, again, is something they have already opted to have. **We urge you to oppose any moratorium on courtesy pay fees that would threaten this important service and cause more harm than benefit to consumers.**

Legislatively Mandated Blanket Loan Forbearance Is Problematic

We are concerned about proposals for mandated blanket loan forbearances as a response to the pandemic. As noted above, the forbearance provisions in sections 4022 and 4023 of the CARES Act raised a number of issues and concerns for credit unions that were not addressed in the bill. Broad mandated loan forbearance could create both operational questions and safety and soundness issues for financial institutions and not give regulators the flexibility to address them. Credit unions are already working with members to ensure they get the relief they need, including providing forbearance and skip payments options. Blanket mandated loan forbearance, regardless of actual need, can strain income to a financial institution, making it harder to operate and provide additional credit to members. Many existing requirements often remain on the financial institution during a forbearance period. These requirements stand to compound issues for financial institutions during periods of forbearance. Legislatively mandated blanket forbearance programs would cause credit unions to lose the ability to work with a member to achieve a mutually agreeable solution that protects both the member and the institution. **We caution Congress against enacting additional blanket loan forbearance provisions that could create additional hardships and challenges for credit unions. NAFCU would oppose such efforts.**

Overbroad Restrictions on First Party Debt Collection Are Problematic

We would also caution against overly broad restrictions on credit unions' ability to collect on consumer debt during the pandemic. Credit unions do not engage in harmful debt collection tactics and, as outlined above, credit unions are working with their members to ensure they get the relief they need during this crisis, including waiving late fees and offering payment deferrals. We are concerned that a blanket restriction on first party debt collection during a national emergency

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could put unnecessary stress on credit unions. As you know, credit unions are already under significant pressure due to this crisis. While the credit union system is well-capitalized and can weather this pandemic, we are concerned that compounding this stress could strain their liquidity and impact their ability to provide credit to members in need.

The Integrity of the Credit Reporting System Must be Maintained

The nation's credit reporting system is an important tool for financial institutions. Blanket suppression of adverse information in credit reports could disrupt consumer access to credit and lead to significant changes in how lenders use credit information to make loans. **We urge Congress to reject efforts aimed at blanket suppression of adverse credit reporting information.** A better step would be to encourage efforts to allow credit reporting to reflect loans where payments are deferred or in forbearance, so these loans do not negatively affect a consumer's credit score.

Consider Ramifications of Changes to Bankruptcy Provisions

We caution you against making major changes to bankruptcy law that have not been fully and properly vetted for their impact. While it is important to ensure consumers are adequately protected and able to access financial products and services, it is also important to examine the potential considerable impacts that changes to underwriting requirements could have on financial institutions and how these changes could impact the future availability of credit.

As Congress considers the next steps in the legislative effort to provide relief and respond to the pandemic, we strongly urge you to address the concerns of the nation's credit unions and the 120 million Americans that they serve that we have outlined in this letter. In times of economic crisis, credit unions always focus on their members and doing all that they can to help. It is critical that Congress ensure that measures in Phase IV and beyond assist in this effort.

We thank you for the opportunity to share our thoughts and look forward to continuing to work with you on pandemic relief and economic recovery. 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

cc: Members of the United States Senate