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National Association of Federally-Insured Credit Unions

August 14, 2020

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

RE: H.R. 7913, the *Financial Institution Forbearance Act*

Dear Chairwoman Waters and Ranking Member McHenry:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU), I write today regarding H.R. 7913, the *Financial Institution Forbearance Act*, introduced by Representative Blaine Luetkemeyer. As you are aware, NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve nearly 121 million consumers with personal and small business financial service products. NAFCU urges you to support this important legislation.

NAFCU appreciates provisions in the CARES Act that granted the National Credit Union Administration (NCUA) authority to address certain loan modifications that would be classified as Troubled Debt Restructurings (TDRs). These provisions specifically addressed concerns that many of our credit unions expressed during the early months of this pandemic. However, as we have communicated to you previously, additional steps need to be taken, including extension of TDR relief beyond December 31, 2020.

It is with these concerns in mind that we support H.R. 7913, which extends and expands the CARES Act TDR provision. As credit unions continue to help their members through this unprecedented time, the changes proposed in this legislation will provide important relief that will ultimately benefit credit union members until certain loans are able to perform in normal circumstances. We urge you to support and advance this legislation.

We thank you for your attention to this important issue. If you have any questions or concerns, please do not hesitate to contact me or Janelle Relfe, NAFCU's Associate Director of Legislative Affairs, at (703) 842-2836.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the U.S. House Committee on Financial Services