



July 28, 2023

The Honorable Patty Murray  
United States Senator  
154 Russell Senate Office Building  
Washington, D.C. 20510

**Re: Credit Union Industry Support for Senate Amendment 206 to the NDAA**

Dear Senator Murray:

On behalf of our nation's 135 million credit union members, we are writing to express our support regarding Senate Amendment 206 to the 2024 National Defense Authorization Act. The proposed amendment would help remove many of the constraints and barriers DoD has recently placed on credit unions which would help lead to actual proficiency in financial literacy effort on base and improve the financial readiness of our nation's servicemembers. Thus, we are willing to advocate and help gain support for passage of this amendment.

Credit unions fulfill a vital role in the military community. In fact, their focus on the servicemember is evident throughout the military lifecycle. Whether it involves opening a secure checking account, obtaining low-interest credit, or learning how to properly save for retirement—defense credit unions proudly serve their communities while protecting against financial predators outside the gate.

Additionally, credit unions have a proven track record with compelling results. In fact, a survey conducted by Frederick Polls during July 2023 is our most recent example of why credit unions should be better supported by DoD. The poll was based on a nationally representative sample of 2,500 voters (with a margin of error equal to + 2%). Questions centered on financial behaviors and outcomes, trustworthiness, and connections to the local community.

Survey results unambiguously reveal that military households that are credit union members view their credit unions much more favorably than nonmembers view their banks & other service providers across every performance metric evaluated. The differences appear to arise from credit unions' more consultative approach, more consumer-friendly pricing, thoughtful products and services and an overall sense of trust fostered by these institutions.

- Military households that are credit union members are nearly two times more likely than nonmembers to say they have received personalized financial education/counseling. And they have acted on the advice they received.
- Military households that do not use credit unions are 1.6 times more likely than military household credit union members to say that they have NOT established a financial buffer to meet unexpected expenses.
- Not surprisingly military credit union member households are 1.5 times more likely than nonmembers to say they are "very positive" their financial institution has improved their financial well-being.

Polling results detail similar differences across ten other dimensions related to financial well-being including those related to trust, service provision and community focus.

Finally, the survey also included data indicating that military households that have CU membership are much more likely to have an ownership interest in a business. This is an area where similar bills such as the bi-partisan S. 539, “the Veterans Member Business Loan Act” would also make a difference.

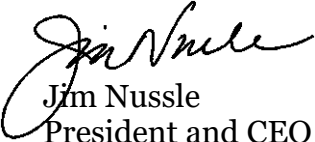
In terms of the proposed DoD Advisory Council on Financial Readiness, we highly recommend the Defense Credit Union Council (DCUC) for an initial three-year term on the Council. DCUC has served the needs of our nation’s military and veteran communities for over 60 years and was one of the founding members of the DoD Financial Readiness Roundtable, which was unfortunately disbanded by DoD in 2017. That did not stop DCUC’s or the industry’s efforts in promoting financial literacy for each of its members.

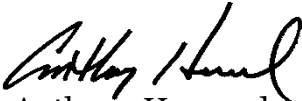
DCUC has since published a Blended Retirement System Guide, a comprehensive Armed Forces Financial Guide, and will soon deliver a Veterans Benefits Guide working with U.S. Department of Veteran Affairs. DCUC also helped to establish the current Military Family Financial Readiness Council which includes both federal and non-federal entities.


Given the increased operational tempo along with increasing financial pressure, now more than ever we need to consider how best to serve our nation’s military members. Credit unions have proven their ability to educate military members on how they can secure their financial wellness. This is important so they can take care of themselves and their families as they defend our nation.

If there is anything more we can do to encourage other Members of the Senate to support this amendment, whether in this year’s NDAA or next year’s NDAA, please let us know.

Sincerely,

  
Jim Nussle  
President and CEO  
CUNA

  
Anthony Hernandez  
President and CEO  
DCUC

  
Dan Berger  
President and CEO  
NAFCU