



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

July 23, 2018

The Honorable Jeb Hensarling
Chairman
House Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Maxine Waters
Ranking Member
House Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

Re: Tomorrow's Financial Services Committee Mark-up

Dear Chairman Hensarling and Ranking Member Waters:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally-insured credit unions, I write ahead of tomorrow's mark-up to share our thoughts on H.R. 5036, the *Financial Technology Protection Act*. NAFCU appreciates the Committee holding this mark-up and the ongoing efforts to move forward and provide regulatory relief to credit unions.

H.R. 5036, introduced by Representatives Ted Budd and Stephen Lynch, would create an Independent Financial Technology Task Force, which would provide incentives and rewards for information leading to convictions of those using digital currencies for terrorism related activities. Additionally it would establish a FinTech Leadership in Innovation Program, which would encourage the development of tools and technology to combat terrorist and illicit use of digital currencies. As Congress looks to reform and strengthen the *Bank Secrecy Act (BSA)*, it is important to examine the role fintech plays in the industry and the growth of digital currencies. NAFCU has long advocated for holding fintech companies to the same regulations as credit unions, maintaining not only a fair playing field in the financial marketplace, but protecting the marketplace from bad actors. Although there is a lot to be done in this area, we believe this legislation is a step in the right direction, which is why NAFCU urges its passage.

NAFCU thanks you for the opportunity to share our thoughts ahead of tomorrow's mark-up. We appreciate the Committee's attention to this issue and look forward to working with the Committee and Congress as it moves through the legislative process. If you have any questions, or if my colleagues or I can be of assistance in any way, please do not hesitate to contact me or NAFCU's Associate Director of Legislative Affairs, Allyson Browning, at 703-842-2836 or abrowning@nafcu.org.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the House Financial Services Committee