



3138 10th Street North
Arlington, VA 22201-2149
703.842.2234 | 800.336.4644
f: 703.522.0594
chunt@nafcu.org | nafcu.org

Carrie R. Hunt
Executive Vice President of Government Affairs
and General Counsel

National Association of Federally-Insured Credit Unions

June 5, 2018

The Honorable Blaine Luetkemeyer
Chairman
Subcommittee on Financial Institutions
and Consumer Credit
House Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Wm. Lacy Clay
Ranking Member
Subcommittee on Financial Institutions
and Consumer Credit
House Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

Re: Tomorrow's hearing entitled "Improving Transparency and Accountability at the Bureau of Consumer Financial Protection"

Dear Chairman Luetkemeyer and Ranking Member Clay:

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 today in conjunction with tomorrow's hearing, "Improving Transparency and Accountability at the Bureau of Consumer Financial Protection." NAFCU is pleased to see the Subcommittee's focus on increasing transparency at the Bureau. One of NAFCU's five advocacy principles is our support of government transparency and accountability.

During the consideration of financial reform, NAFCU was concerned about the possibility of overregulation of good actors such as credit unions, and this is why NAFCU was the only trade association to oppose the Bureau having authority over credit unions. Unfortunately, many of our concerns about the increased regulatory burdens that credit unions would face under the Bureau have proven true. As we outlined to the Committee in April, NAFCU maintains a number of concerns with several Bureau rules and we look forward to working with the Committee and the Bureau to address these issues.

NAFCU was pleased to see Acting Director Mick Mulvaney urge Congress to enact a series of changes to the Bureau to help increase transparency and accountability for the Bureau during his appearance before the Committee in April to discuss the Bureau's Semi-Annual Report. In particular, we support subjecting the Bureau to the Congressional appropriations process. An agency with such wide authority and scope over the entire financial services system, such as the Bureau, should have direct accountability to Congress.

Additionally, we believe that one way to improve the Bureau would be to enact H.R.5266, the *Financial Product Safety Commission Act of 2018*, introduced by Representatives Dennis Ross and Kyrsten Sinema. This bipartisan legislation would change the leadership structure from a single director to a five member commission appointed by the President. NAFCU has long held

the position that, given the broad authority and awesome responsibility vested in the Bureau, a five person commission has distinct consumer benefits over a single director. Regardless of how qualified one person may be, a commission would allow multiple perspectives and robust discussions of consumer protection issues throughout the decision making process. Credit unions and their 111 million members are greatly impacted by the actions of the Bureau and believe the operating structure of the Bureau should be as fair and transparent as possible.

Finally, given the Bureau's authority over credit unions, we believe that maintaining a specific credit union advisory council at the Bureau is an important step in ensuring Bureau transparency and accountability for credit unions. We believe that it is important that Bureau leadership regularly hear from credit unions in order to understand the unique role credit unions play in the financial services industry and how the Bureau's actions can have a direct impact on their ability to serve their 111 million members.

We thank you for the opportunity to share our thoughts on improving transparency and accountability at the Bureau. NAFCU looks forward to working with the committee on this important issue. 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 Vice President of Legislative Affairs, Brad Thaler, at (703) 842-2204.

Sincerely,



Carrie R. Hunt

Executive Vice President of Government Affairs and General Counsel

cc: Members of the Subcommittee on Financial Institutions and Consumer Credit