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National Association of Federally-Insured Credit Unions

July 16, 2018

The Honorable Paul Ryan
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
United States House of Representatives
Washington, DC 20515

Re: Support for the *JOBS and Investor Confidence Act of 2018*

Dear Speaker Ryan and Leader Pelosi:

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 in conjunction with this week's scheduled House consideration of the *JOBS and Investor Confidence Act of 2018*. We appreciate the leadership of House Financial Services Committee Chairman Jeb Hensarling and Ranking Member Maxine Waters in moving this bill forward and for including a provision that provides increased regulatory relief to credit unions, and we urge the House to pass this important legislation.

This bipartisan package has language in Title XVII that would delay the National Credit Union Administration's (NCUA) risk-based capital (RBC) rule from taking effect by two-years, moving the implementation date from January 1, 2019 to January 1, 2021. NAFCU is very supportive of Title XVII and believes it is imperative that the House support the *JOBS and Investor Confidence Act* due to the short time period for this provision to be enacted before this harmful rule takes effect. The RBC rule as written will have a negative impact on the industry as credit unions may face scenarios where they will have to constrain lending and decrease capital available to consumers and small businesses in order to comply with these new requirements. Dozens of credit unions stand to see a downgrade in their capital levels and more than 400 credit unions will see a decline in their capital cushions. A two-year delay in the rule would give credit unions more time to prepare and comply, and more importantly, it would give the NCUA time to fix and update the rule, which they have expressed interest in doing.

Once again, we strongly support the *JOBS and Investor Confidence Act*. Support of this bipartisan legislation is a key vote for credit unions. Thank you for your efforts to provide credit unions with regulatory relief. Should you have any questions or require any additional information, please contact me or Allyson Browning, NAFCU's Associate Director of Legislative Affairs, at 703-842-2836 or abrowning@nafcu.org.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the United States House of Representatives