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**National Association of Federally-Insured Credit Unions**

August 5, 2020

The Honorable Tom Emmer  
315 Cannon House Office Building  
United States House of Representatives  
Washington, D.C. 20515

The Honorable Ed Perlmutter  
1226 Longworth House Office Building  
United States House of Representatives  
Washington, D.C. 20515

**Re: Introduction of the Credit Union Governance Modernization Act of 2020**

Dear Representatives Emmer and Perlmutter:

I write to you today on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) to express our support for the *Credit Union Governance Modernization Act of 2020*. 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.

This legislation will help protect credit unions and their members from abusive, fraudulent and criminal activity. Credit unions have an obligation as cooperatives to act in the best interests of their member-owners. The *Credit Union Governance Modernization Act of 2020* would make it easier for credit unions to protect their staff and members from those engaging in illegal or threatening behavior and would streamline the process to remove them from their membership.

Currently, credit unions can only expel a member of their community by a two-thirds votes of all members and only if the behavior they are engaged in is illegal. This can only occur at an in-person member meeting, which is especially challenging during the pandemic. If enacted, your legislation would allow credit unions to adopt an expulsion policy to expel members who engage in abusive or illegal behavior, while maintaining an appeal process that provides due process for the accused member. This common-sense legislation would remove onerous regulations while still protecting the rights of the member. We urge your colleagues to join you in supporting this bipartisan good governance measure.

On behalf of our nation's credit unions and their nearly 121 million members, we thank you for your attention with this matter. Should you have any questions or require additional information, please do not hesitate to contact me or Lewis Plush, NAFCU's Associate Director of Legislative Affairs, at 703-842-2263 or [lplush@nafcu.org](mailto:lplush@nafcu.org).

Sincerely,

Brad Thaler  
Vice President of Legislative Affairs