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National Association of Federal Credit Unions | www.nafcu.org

January 5, 2016

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Support for H.R. 1155, the SCRUB Act of 2015

Dear Speaker Ryan and Leader Pelosi:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally-insured credit unions, I write today as the House prepares to consider H.R. 1155, the *Searching for and Cutting Regulations that are Unnecessarily Burdensome (SCRUB) Act of 2015*. Credit unions and their 101 million members strongly support efforts such as the SCRUB Act to mitigate the regulatory burden imposed by federal agencies, particularly those with direct jurisdiction over credit unions, including the National Credit Union Administration (NCUA) and Consumer Financial Protection Bureau (CFPB).

As you know, this important piece of legislation would establish a commission to review federal regulations and identify those that should be repealed or amended to reduce unnecessary regulatory burdens. In addition, the bill would require agencies to offset the cost of new regulations by repealing or amending regulations identified by the commission. NAFCU supports the intention of regulatory relief behind this legislation and believes it would be a good first step in addressing the overly burdensome regulatory environment credit unions face.

The magnitude of the regulatory burden facing credit unions is immense and continuously growing. Many credit unions are struggling to keep pace with the compliance burden placed on them by multiple regulators, which is evident in the reduction of credit unions. The total number of credit unions has declined by 17% (more than 1,280 institutions) since the second quarter of 2010; 96% were smaller institutions with assets of less than \$100 million. Credit unions are often forced to merge or simply shut their doors as a result of an inability to cope with regulatory burdens. While credit unions were not the cause of the financial crisis, they are still subject to the CFPB and many regulations intended for those that did. Consequently, finding ways to cut-down on burdensome and unnecessary regulatory compliance costs is a chief priority of our members.

Thank you for your attention to this important issue. NAFCU asks you to support passage of H.R. 1155, the SCRUB Act of 2015, and looks forward to working with you to advance regulatory relief measures in 2016. If my colleagues or I can be of assistance to you, or if you have any questions regarding this issue, please feel free to contact myself, or NAFCU's Associate Director of Legislative Affairs, Chad Adams, at (703) 842-2265.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the U.S. House of Representatives