



**America's  
Credit Unions**

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99 M Street SE  
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June 21, 2024

The Honorable Emanuel Cleaver  
2217 Rayburn House Office Building  
U.S. House of Representatives  
Washington, DC 20515

**Re: Comments Regarding Credit Unions During Hearing to Receive the Semi-Annual Report of the Consumer Financial Protection Bureau**

Dear Representative Cleaver:

I am writing on behalf of America's Credit Unions in response to remarks you made as part of your questioning of Consumer Financial Protection Bureau (CFPB) Director Chopra during the June 13<sup>th</sup> House Financial Services Committee hearing to receive the Semi-Annual Report of the CFPB. America's Credit Unions is the voice of consumers' best option for financial services: credit unions. We advocate for policies that allow the industry to effectively meet the needs of their over 140 million members nationwide.

First and foremost, America's Credit Unions agrees with your sentiment that "bigotry" and discrimination have no place in financial services. As you are aware, the Community Reinvestment Act (CRA) was adopted as a punitive measure to punish banks for engaging in discriminatory practices such as redlining and disinvestment. Credit unions have a long track record of meeting the needs of traditionally underserved communities as part of their mission. The CRA was enacted to encourage banks to meet the credit and capital needs of the communities where they operate, including low- and moderate-income neighborhoods. Credit unions have been coming to Congress for years asking to do more to help the underserved, only to be stymied and opposed by the banking lobby. Banking representatives have traditionally opposed efforts for credit unions to expand in underserved areas, and even have previously sued the National Credit Union Administration (NCUA) to prevent more credit unions from adding underserved areas. Their hypocrisy in this matter is further exacerbated by the fact that from 2012-2023, banks closed 19,301 net branches while credit unions opened 1,373 net branches during the same timeframe, many in rural and underserved areas.

America's Credit Unions is strongly opposed to placing CRA requirements on credit unions because they are already inherently invested in their communities, operating unlike other depository institutions with a not-for-profit cooperative structure and a common bond membership. In addition, credit unions embrace the unique relationship that they have with their communities and play an important role in providing financial services to underserved individuals. Credit unions primarily take deposits and make loans to their membership, which ultimately ensures that deposits are reinvested for the benefit of all

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members. As many in Congress have wisely noted, if all financial institutions acted like credit unions, there would be no need for the CRA. We firmly believe that placing CRA requirements on credit unions would create new costly regulatory burdens without public benefit—a solution in search of a problem. This could lead to such changes having the impact of actually reducing access to credit for those in vulnerable communities. As such, we strongly oppose any effort to extend the CRA to credit unions.

More needs to be done to promote access to financial services and end discriminatory practices. America's Credit Unions would welcome an opportunity to meet with you and your staff regarding your comments and concerns and ways that the credit union community can work with you to promote access and end discrimination in financial services.

We thank you for the opportunity to share our thoughts on this important matter. If we can be of any further assistance to you or your staff, please do not hesitate to contact our Senior Vice President of Advocacy, Greg Mesack, at [gmesack@americascreditunions.org](mailto:gmesack@americascreditunions.org) or 703-842-2272.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle". The signature is fluid and cursive, with a large loop at the end of the last name.

Jim Nussle, CUDE  
President & CEO