



**America's
Credit Unions**

Jim Nussle
President & CEO
202-508-6745
jnussle@americascreditunions.org

99 M Street SE
Suite 300
Washington, DC 20003

June 3, 2024

The Honorable Pete Sessions
2204 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

The Honorable Young Kim
1306 Longworth House Office Building
U.S. House of Representatives
Washington, DC 20515

The Honorable Gerry Connolly
2265 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

Re: Amendment #645 Submitted for H.R. 8070, the FY 2025 National Defense Authorization Act

Dear Representatives Sessions, Kim, and Connolly:

I am writing to share America's Credit Unions' views regarding Amendment #645 submitted to the House Rules Committee for consideration as part of H.R. 8070, the FY 2025 National Defense Authorization Act. 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 more than 142 million members nationwide.

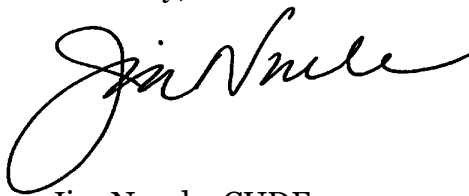
Your Amendment #645 would amend the Federal Credit Union Act (FCU Act) to address issues with the Department of Defense's (DOD) Overseas Military Banking Program (OMBP). We deeply appreciate your effort to ensure that DOD and the OMBP have the choice to have federal share insurance for the OMBP when the program is operated by a credit union. This amendment is attempting to solve a problem created when big banks walked away from serving those in our armed forces and, once again, a credit union stepped in to fill the void left by banks leaving.

While we applaud the intent of the amendment, we are concerned about the language in its current form. While the language will solve the particular problem of federal share insurance for the OMBP, it still leaves open the question about future situations where a credit union may act as a fiscal agent in other capacities for DOD or the broader federal government. We believe that a piecemeal approach to this problem is not the right solution. America's Credit Unions suggests that the more appropriate solution will future-proof the FCU Act for all scenarios where a credit union may provide transaction account services as a fiscal agent in a government contract. This can be done by amending the FCU Act to clarify that all such accounts can be insured through the National Credit Union Share Insurance Fund (NCUSIF). We urge you to modify your amendment to make these changes before bringing it before the Rules Committee. We would stand ready to work with you in this regard.

Furthermore, with regards to the OMBP, we would note that questions have been raised regarding how the OMBP interplays with financial institutions on military bases. We share with DOD the desire to ensure that our service members have access to safe, affordable financial products and high-quality financial advice. Financial readiness is a key component of military readiness. In light of that, we would suggest that Congress establish an Advisory Panel on Military Banking to review the OMBP as well as the availability of financial services to members of the armed forces generally as part of this amendment effort.

I appreciate the opportunity to share our views on this important issue. Attached, you will find suggested amendment text that could achieve the goals we outline above. America's Credit Unions will always support the brave men and women in our armed forces, and we look forward to working with Congress to provide them the support they need to defend our great nation. If you have any questions, please feel free to contact our Senior Vice President of Advocacy, Greg Mesack, at 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 beginning.

Jim Nussle, CUDE
President & CEO

Attachment

AMENDMENT TO H.R. 8070

OFFERED BY _____

At the appropriate place in title XVII, insert the following sections:

1 **SEC. 17__. AMENDMENT RELATED TO CREDIT UNION SHARE**
2 **INSURANCE.**

3 Title II of the Federal Credit Union Act (12 U.S.C. 1781 et
4 seq.) is amended by inserting after section 201 the following
5 section.

6 **“SEC. 201A. INSURANCE OF GOVERNMENT PROGRAMS.**

7 “Any credit unions operating as fiscal agents under the
8 authority of the Secretary of the Treasury and operating a
9 government contract shall have all accounts pursuant to that
10 contract insured according to the provisions of this Act as if they
11 were member accounts.”

12 **SEC. 17__. ADVISORY PANEL ON MILITARY BANKING.**

13 (a) ESTABLISHMENT.—The Secretary of Defense shall
14 establish an Advisory Panel on Military Banking to—

15 (1) review the Overseas Military Banking Program of the
16 Department of Defense and the regulations governing it,
17 including issues relating to consumer protection, financial
18 education, and financial literacy and well-being for members
19 of the Armed Forces, veterans, and dependents of such
20 members and veterans, readiness support, direct deposit of
21 military pay, and the number, types, and access to financial

1 institutions on military installations both domestically and
2 overseas; and

3 (2) report to and advise the Secretary on the organization,
4 implementation, and overall effectiveness of the Overseas
5 Military Banking Program (or a similar successor program)
6 and the availability of financial services to members of the
7 Armed Forces and make recommendations for improvements
8 and policy changes to the Program.

9 (b) MEMBERSHIP.—

10 (1) IN GENERAL.—The Secretary shall appoint not less
11 than eight members to the Advisory Panel on Military
12 Banking. In appointing such members, the Secretary shall—

13 (A) appoint members from among individuals who—

14 (i) are experts in financial services and
15 consumer financial protection;

16 (ii) are representatives of insured credit
17 unions and insured depository institutions that
18 primarily serve members of the Armed Forces,
19 including those institutions with relevant
20 experience or expertise in the appropriate and fair
21 provision of consumer financial products and
22 services to members of the Armed Forces and
23 dependents of such members; and

24 (iii) have diverse points of view, represent
25 institutions with different asset sizes, and have
26 different geographical backgrounds; and

1 (B) appoint individuals without regard to party
2 affiliation.

3 (2) REMOVAL AUTHORITY.—All members appointed by
4 the Secretary under this subsection shall serve at the pleasure
5 of the Secretary.

6 (c) MEETINGS.—The Advisory Panel on Military Banking
7 shall meet from time to time at the call of the Secretary or a
8 designee, but, at a minimum, shall meet at least twice in each year.

9 (d) SUNSET.—The Advisory Panel on Military Banking shall
10 terminate on the earlier of—

11 (1) the date that is 5 years after the date of enactment of
12 this section; or

13 (2) a date determined by the Secretary.