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National Association of Federally-Insured Credit Unions

June 11, 2019

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

Re: Today's Committee Markup

Dear Chairwoman Waters and Ranking Member McHenry:

I write today on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) in regard to today's markup to share our thoughts on legislation before the Committee. NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve over 117 million consumers with personal and small business financial service products.

H.R. 2162, the Housing Financial Literacy Act of 2019

NAFCU supports the efforts found in the amendment in the nature of a substitute to H.R. 2162, the *Housing Financial Literacy Act of 2019*, offered by Representative Joyce Beatty. This bill would incentivize first-time homebuyers to participate in financial literacy programs by offering a discount on Federal Housing Administration (FHA) mortgage insurance premium payments. Research has shown that financial literacy programs drastically lower late payment and default rates, lowering costs for the homeowners and making housing more affordable.

H.R. 2513, the Corporate Transparency Act of 2019

NAFCU supports the efforts found in the amendment in the nature of a substitute to H.R. 2513, the *Corporate Transparency Act of 2019*, offered by Representative Carolyn Maloney. This bill would help financial institutions, including credit unions, comply with the new Customer Due Diligence (CDD) Rule by requiring companies to identify and disclose their true beneficial owners to Financial Crimes Enforcement Network (FinCEN) for the creation of a database of ownership information that would be available to law enforcement agencies and financial institutions.

H.R. 3167, the National Flood Insurance Program Reauthorization Act of 2019

NAFCU supports the efforts found in the amendment in the nature of a substitute to the *National Flood Insurance Program Reauthorization Act of 2019*, offered by Chairwoman Maxine Waters. NAFCU supports a long-term reauthorization of the NFIP. Market uncertainty in flood insurance coverage dampens the lending volume of the nation's credit unions and the economic activity of their members. We are pleased to see that the bill includes program improvements and takes steps to continue the financial solvency of the program to maintain market stability. We would caution against any attempts to raise annual premium rates too rapidly, as this may lead to attrition in the program and further long-term uncertainty for lenders.

NAFCU urges the Committee to support these important bills and advance them at the markup. We look forward to working with you as this legislation moves forward. Should you have any questions or require any additional information, please do not hesitate to contact me or Max Virkus, NAFCU's Associate Director of Legislative Affairs, at 703-842-2237.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brad Thaler', with a long horizontal flourish extending to the right.

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the House Financial Services Committee