



DCUC
DEFENSE CREDIT UNION COUNCIL

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Anthony R. Hernandez
President/CEO

May 16, 2022

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: Support for H.R. 7003 - Expanding Financial Access for Underserved Communities Act

Dear Chairwoman Waters and Ranking Member McHenry:

On behalf of America's 181 Defense Credit Unions and over 32 million members, I am writing in support of H.R. 7003 - Expanding Financial Access for Underserved Communities Act. The Defense Credit Union Council (DCUC) advocates for all defense credit unions located on every United States military installation around the world. Everything we do is in support of our military and veteran communities; no matter which credit union they join. Given recent inflationary pressures and supply chain issues, passage of this act is even more critical.

DCUC is focused on building and serving the financial readiness of our nation's military and veteran communities. This legislation definitely helps our member credit unions fulfill their role in serving those who serve our country. Especially since most military communities are located in towns and communities that are scattered throughout the countryside.

Updating the Federal Credit Union Act to allow all federal credit unions to add underserved areas to their field of membership is important for military and defense communities. There are many unbanked and underbanked veterans who need access to the U.S. financial system. Particularly since the Veterans Administration still uses paper checks and pre-paid debit cards which are both easily lost. Since H.R. 7003 includes underserved areas, this will help America's credit unions in protecting our underserved veteran community while also starting them on a path toward financial wellness.

As military members transition out of the service, exempting business loans made by credit unions in low-income areas from the credit union member business lending cap helps ease this transition while building and sustaining economic activity in the community. Business loans in low-income areas is an excellent start. In addition, DCUC has always supported veteran business lending exemptions as another legislative proposal to accomplish the same benefit in all defense communities.

Finally, expanding the definition of a low-income credit union to include any area that is more than 10 miles from the nearest branch of a financial institution allows safe, secure, and accessible access for many Americans. DCUC has always proposed a credit union alternative to postal

banking initiatives for many of the same reasons. This legislation makes this possible, especially since most military members fit the definition for low-income credit union designation.

As our economy continues to recover from the pandemic, passage of this legislation strengthens the long-term stability of our defense communities. It also sends the right message as America's credit union industry consistently demonstrates and exercises a crucial role maintaining our nation's financial resiliency and hope for the future. Thus, we fully support this legislation.

Thank you for your consideration of this important issue. If there is anything we can do to provide additional information on this or other important measures, please let us know. My office can be reached at (202) 734-5007 or at ahernandez@dcuc.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anthony R. Hernandez". The signature is fluid and cursive, with the first name being the most prominent.

Anthony R. Hernandez