



DCUC
DEFENSE CREDIT UNION COUNCIL

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Anthony R. Hernandez
President/CEO

April 18, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
United States Senate
Washington, D.C. 20510

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

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Additional Funding for SBA Paycheck Protection Program

Dear Leader McConnell, Speaker Pelosi, Leader Schumer, and Leader McCarthy:

On behalf of America's 181 Defense Credit Unions who, in turn, serve over 25 million consumers, I am writing to support Congressional efforts to provide additional funding for our country's critical Paycheck Protection Program. The Defense Credit Union Council (DCUC) thanks Congress for unprecedented bi-partisan efforts in quickly rolling out this important program as part of the CARES Act. We also appreciate the monumental task federal, state, and local governments are executing in providing critical assistance to America's working families.

America's not-for profit credit unions have an important place in the community and exist in many places where other financial institutions do not find profitable. Even before passage of the CARES Act, our member credit unions were already extending zero interest loans, offering skip payments without penalties, modifying loans, and extending credit to affected families. Many have struggled to offer business loans under the Paycheck Protection Program and are now facing the further frustration from business owners now that funding has been exhausted.

The consumer response to the Paycheck Protection Program is unremitting and continues to overwhelm all lending institutions. As more credit unions gain approval to access the SBA's lending portals, there is hope to relieve some of this pressure and get critical funding in underserved communities. Yet, its important to have additional funding for the program to succeed as intended.

While Congress works on additional appropriations, we also ask Congress to consider setting aside a portion of this funding for Community Development Financial Institutions (CDFI). The National Credit Union Administration (NCUA) maintains a Community Development Revolving Loan Fund (CDRLF) and is intended to provide emergency funding for those in underserved and lower-income areas. This is critical for extending relief to America's working families.

If there is anything more we can do to provide additional information on how America's credit unions are addressing these issues, please let us know. My office can be reached at (202) 734-5007 or at ahernandez@dcuc.org.

Sincerely,

Anthony R. Hernandez