



February 24, 2009

The Honorable John Conyers, Chairman
House Committee on the Judiciary
2138 Rayburn House Office Building
Washington, DC 20515

The Honorable Barney Frank, Chairman
House Committee on the Judiciary
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen Conyers and Frank:

I am writing on behalf of the National Federation of Community Development Credit Unions, a non-profit association of credit unions that provide credit, savings, transaction services and financial education to more than one million residents of low-income urban and rural communities across the United States. **The Federation strongly supports H.R. 1106 and urges you to enact immediate passage of this bill.** In particular, we support the following provisions:

- 1. Permanent increase in NCUSIF Insurance.** As a trade association of credit unions serving over 1 million Americans with over \$1 billion of savings, the Federation is strongly in favor of providing long-term protection to the shares and deposits of our members by making the \$250,000 insurance level permanent.
- 2. Five-year NCUSIF restoration plan.** Like most families, communities and institutions, community development credit unions have been hit hard by the current economic crisis. Through no fault of their own, a large proportion of our credit unions reported negative net income in 2008 because of the economic situation of their members. Giving us more time to recapitalize the National Credit Union Share Insurance Fund is a fair way to spread the costs of recent events over a reasonable period of time.
- 3. Judicial modifications.** Because this bill only applies to mortgages where foreclosure is imminent and where the borrower has requested a modification, our credit unions believe it is a reasonable proposal that can save over a million families from losing their homes. Credit unions have a hundred-year history of working with their members to acquire and keep their homes. The Federation has received numerous reports from its member credit unions about their pro-active measures to renegotiate mortgage terms in a way that keeps members from losing their homes, and we expect that will continue even more vigorously if the legislation becomes law.

We appreciate your leadership on this vital issue, and urge the speedy passage of this bill, including each of these critical items.

Please feel free to contact me if I may be of assistance.

Sincerely,

A handwritten signature in black ink that reads "Clifford Rosenthal". The signature is written in a cursive style with a large initial 'C'.

Clifford Rosenthal
CEO/President
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