Sens. Dianne Feinstein (D-CA) and Jacky Rosen (D-NV), Rep. Mike Levin (D-San Diego/North County), Rep. Scott Peters (D-San Diego) and several others in the California Delegation took to social media to share the Leagues’ list of credit union assistance programs for federal government employees during the U.S. government shutdown.

The Leagues initiated the letter by Reps. Jackie Speier (D-San Mateo) and Paul Cook (R-Barstow) to keep banks from receiving the same treatment as credit unions under the National Defense Authorization Act over rent-free access to military bases. The letter led to striking the section from the final bill.

H.R. 2513 passed in the House. The Leagues lobbied for successful passage of this bill, which would update Bank Secrecy Act modernizations. This includes adding beneficial ownership requirements and updating Currency Transaction Records limits. H.R. 2513 is now pending in the Senate.

H.R. 1595 passed in the House with overwhelming bipartisan support. The Leagues assisted in passing this bill, entitled the Secure and Fair Enforcement (SAFE) Banking Act. It grants a safe harbor for financial institutions serving the cannabis industry. H.R. 1595 is now pending in the Senate.
Defeated Senate Bill 561: DEFENDED credit unions from a private right of action in the California Consumer Privacy Act (CCPA).

Supported Assembly Bill 945: AUTHORIZES a local agency to invest and deposit the agency’s surplus funds in deposits at financial institutions, and increases to 50 percent the percentage of funds that can be invested by a city, district or other local agency.

Supported Assembly Bill 1355: ENSURES that communications between businesses that are providing services or products to each other, as well as the memorialization of such transactions, will not be subject to the CCPA.

Amended Assembly Bill 857: PROTECTS credit unions from competition from a public bank, and gives credit unions the opportunity to partner with a public bank.

Wins from the past few years:

Supported Senate Bill 1121: EXEMPTS credit unions from the new California Consumer Privacy Act (CCPA) by recognizing compliance with the Gramm-Leach-Bliley Act (GLBA). The exemption will help protect credit unions from large compliance costs related to updating IT systems for new consumer notices, legal fees and opt-out requirements. New, duplicative and problematic requirements would have resulted in higher administrative costs, leading to higher loan rates, reduced services and products, consumer inconvenience, and longer member wait times.

Supported Assembly Bill 2862: UPDATES the California credit union charter and gives state-chartered credit unions parity with federally chartered credit unions on escrow law exemption, investments in charitable donation accounts, purchase and sale of whole loans, authorization of investments for employee benefits plan obligations without prior approval, and no more requirement for savings capital structure policies.

Supported Senate Bill 1055: EMPOWERS credit unions to encourage savings by ensuring that California lottery or raffle rules do not apply when offering Prize Linked Savings Accounts (PLSA).

Supported Assembly Bill 611: SECURES the right to refuse to honor power-of-attorney in select circumstances and help prevent financial abuse.

Defeated Senate Bill 308: PROVIDED protection from increasing the exemption amount a debtor can shield from creditors through bankruptcy.

Defeated Assembly Bill 1305: PROTECTED the right to seek reimbursement from the California Board of Equalization (BOE) for sales tax paid upfront on unpaid loan balances.
National Credit Union Administration (NCUA): Delay of the Risk-Based Capital Rule (RBC) for another two years, now effective Jan. 1, 2022; streamlined audit requirements for federally-insured credit unions with assets less than $500 million; increased appraisal thresholds for commercial and (proposed) residential real estate transactions, providing parity (or better) with the banking industry; and increased limits for public unit and non-member shares.

Consumer Financial Protection Bureau (CFPB): Reconsideration and proposed changes to the remittances rule, including increasing the threshold from 100 to 500 transfers annually; reconsideration of the Home Mortgage Disclosure Act (HMDA) reporting requirements and HMDA data points; reconsideration of the payday lending rule’s underwriting requirements; and keeping overdraft rulemaking on the agency’s inactive calendar.


California Attorney General/California Consumer Privacy Act (CCPA): The League fully engaged in addressing the proposed regulations to implement the California Consumer Privacy Act (CCPA), providing member credit unions with a summary and a full analysis of the proposed regs; ensuring credit unions were represented and heard at each of the four public hearings; and submitting a comprehensive comment letter to help mitigate the compliance burden.

Meetings with regulators: Hosted five exclusive meetings with regulators and League members, including two meetings with CFPB Director Kathleen Kraninger and meetings with NCUA Chairman Rodney E. Hood and NCUA Board Member J. Mark McWatters. The Leagues also met with NCUA Western Region Director Cherie Freed regarding exam and regional issues.

Urging all regulators to: Consider the burden regulations have on credit unions and consumers; eliminate antiquated and inconsistent requirements; provide exemptions where appropriate; curb future requirements; and scrutinize proposals to ensure any changes have minimal adverse impact on members.

Regarding the NCUA, advocating for: Implementation of the agency’s exam flexibility and Enterprise Solution Modernization initiatives; minimizing the impact of FASB’s CECL accounting standard by allowing a three-year phase-in of the day-one adverse effects on regulatory capital; returning the National Credit Union Share Insurance Fund’s (NCUSIF) normal operating level to 1.30 percent; modernizing the federal credit union loan term limits; and revisiting the RBC rule to evaluate whether the rule is warranted and whether the NCUA has the legal authority to establish a two-tier risk-based net worth requirement.

Regarding the CFPB, advocating for: Tailored regulations and greater use of the bureau’s exemption authority; improved collaboration and relationship with the NCUA; development of strong PACE (Property Assessed Clean Energy) loan regulations; improved mortgage origination rules; and expanding the “alternative loans” exemption in the payday lending rule to exempt all NCUA Payday Alternative Loan programs.

‘PowerComment’—your direct channel to regulators: Amplifying your credit union’s voice to regulators through the quickest, most efficient tool possible when they ask for public comments on a rule or regulation that could have a significant impact on credit unions. PowerComment provides vital and easily digestible information to keep you informed on proposed rules, allows online discussions to increase your understanding, and allows you to write and easily submit your personalized comment letter to regulators. With nearly 1,000 users across the country, representing more than 620 unique credit unions, PowerComment gives credit unions a voice in the regulatory process!
PAC Accomplishments

BREAKTHROUGH YEAR

This has been a transformative year. The PAC recently achieved many noteworthy accomplishments, starting with taking first place in the GAC sweepstakes. We nearly quadrupled its standing record for fundraising into the Federal PAC (CULAC). We used this exciting momentum to continuously fundraise throughout the year and successfully increased donations into CULAC by 50 percent.

We increased donations through payroll deduction and soliciting one-time donations. Payroll deduction is the leading mechanism for raising individual donations into CULAC. The PAC was able to enroll new credit unions into this program, onboard new employees, and increase donation amounts. The PAC increased payroll deduction participation by 24 percent and increased payroll deduction donations by 19 percent.

As for the State PAC, which consists of corporate donations, the PAC committee worked diligently to increase donations by 10 percent. This was accomplished by peer-to-peer solicitation and educating credit unions on the importance of donating to our PAC.

The PAC was also successful in hosting political fundraisers for legislative leaders, including Senate President Pro Tem Toni Atkins during the League’s California Government Relations Rally (GRR); Speaker of Assembly Anthony Rendon; and Assembly Banking Chairwoman Monique Limon. The PAC also participated in an intimate gathering with Governor Gavin Newsom, increasing credit union exposure and engagement in high-level discussions on housing and California’s strong economy.

Fundraising into our PAC is just as important as direct candidate giving. With League member support, we successfully hosted a total of eight state and federal fundraisers and 20 check presentations. Notably, the PAC orchestrated exciting fundraising efforts during “Hike the Hill,” an intimate breakfast with Chairwoman Maxine Waters, and a gathering at CU House for Speaker Pelosi and 18 other House of Representative members.

Grassroots Accomplishments

STRENGTH IN NUMBERS

Grassroots advocacy focused on increasing our base of supporters and credit union advocates in 2019. The Advocacy Workshop training program engaged a new audience of advocates, as well as seasoned political professionals. More than 2,630 letters were submitted to members of Congress through Connect for the Cause, and credit unions organized regionally across the state in advocacy — some for the first time!

This year, the League created a grassroots target list consisting of newly elected legislators and important committee members. Six meet-and-greets were organized with California State senators and assembly members. These in-district meetings primarily included between 5 – 15 credit union representatives, generated valuable facetime with legislative targets, and sparked open dialogues about credit union issues and future partnership opportunities between credit unions and the legislature. The League prioritized educating the legislature about the amazing financial literacy credit unions provide their communities, and it utilized established programs as a form of grassroots advocacy. Specifically, we promoted the RMJ Foundation’s “Bite of Reality” (BOR) program and made connections between credit unions and legislators interested in cohosting an event. Senator Ling Ling Chang, who serves as the vice chair of the Banking and Financial Institutions Committee and sits on the Education Committee, held two BOR events in conjunction with SchoolsFirst FCU. Credit unions also took the initiative to invite local representatives to their financial literacy events. Overall this year, at least seven state/federal elected officials attended “Bite of Reality” events and were exposed to the fantastic service credit unions provide the students in their communities!

As we continue to spread credit union awareness in Sacramento and Washington, D.C., it’s important we recognize the invaluable facetime, exposure and relationship-building that was established due to having a strong PAC and powerful grassroots advocacy.
Our Advocacy Team

**Bob Arnould**  
Senior Vice President of Advocacy  
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**Patti Neumaier**  
Executive Assistant to Advocacy  
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**FEDERAL GOVERNMENT AFFAIRS**  
We have a full-time staff dedicated to working with Congress, government agencies, and federal regulators.

**Jeremy Empol**  
Vice President of Federal Government Affairs  
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**STATE GOVERNMENT AFFAIRS**  
Our state advocacy team works daily with elected officials, staff, the executive offices, gubernatorial appointees, and the decision-makers of California and Nevada, bringing the voice of credit unions to Sacramento and Carson City.

**Robert Wilson**  
Vice President of State Government Affairs  
robertw@ccul.org

**REGULATORY ADVOCACY**  
Our regulatory advocacy team keeps you informed on the latest proposed rules and regulations and their potential impact to credit unions. We work with state and federal regulators to help shape regulations and lessen the compliance burden.

**Sharon Turley**  
Vice President of Regulatory Advocacy  
sharont@ccul.org

**POLITICAL ACTION COMMITTEE**  
Our political advocacy team works to strengthen and grow our League’s PAC by fundraising and strategically allocating those funds into helping elect candidates that are mindful of the credit union industry.

**Heather deNecochea**  
Political Affairs Manager  
heatherd@ccul.org

**GRASSROOTS ADVOCACY**  
Our grassroots advocacy team strives to strengthen the credit union movement by building our base of credit union advocates and generating authentic relationships and connections between our League members with their elected officials.

**Emily Udell**  
Advocacy Specialist  
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