



November 1, 2024

The Honorable Claudia Tenney  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative Tenney,

On behalf of CrossState Credit Union Association (CrossState), representing nearly 500 credit unions in New Jersey and Pennsylvania, some of which have branches in New York, I express concern regarding your recent comments made to the American Bankers Association (ABA) questioning the regulation and tax treatment of credit unions.

Credit unions were formed for the purpose of making credit available to Americans and promoting thrift through a national system of nonprofit, cooperative financial institutions. Credit unions are owned by their members and controlled by volunteer boards of directors elected by their membership. Earnings of credit unions are returned to members through fewer and lower fees, higher yields on savings, and lower loan interest rates.

Taxing credit unions would undermine their ability to provide these benefits. The financial burden of taxation would inevitably be passed on to their members, reducing credit union's ability to offer low-cost financial services. In turn, this would diminish the incentive for community investment and involvement, which are hallmarks of the credit union philosophy.

Moreover, credit unions often serve underserved and economically disadvantaged populations, providing access to financial services that might otherwise be unavailable. By remaining tax-exempt, credit unions can continue to fulfill their mission of fostering financial inclusion and literacy within their communities.

Unlike for-profit financial institutions, credit unions' primary aim is not to generate profits for shareholders but to enhance the financial well-being of their members. Imposing taxes on credit unions would hinder their operational capacity and disrupt the invaluable services they provide to millions of Americans.

Because of these considerations, I urge you to support the continued tax-exempt status of credit unions so they can continue to make positive impacts in the communities they serve.

With best regards,

A handwritten signature in black ink that reads 'Patrick C. Conway'.

Patrick C. Conway  
President & CEO