

July 8, 2021

The Honorable Janet D. Howell The Honorable Luke Torian

Virginia Senate Virginia House of Delegates

Pocahontas Building P.O. Box 406

Richmond, VA 23219 Richmond, VA 23218

Dear Senator Howell and Delegate Torian,

On behalf of Virginia’s credit unions, I am writing in support of initiatives that we believe will move the Virginia economy forward as you undertake the allocation of $4.3 billion in federal relief funding. The Virginia Credit Union League represents the Commonwealth’s 110 credit unions and the 15 million members served throughout the state, country, and world.

Credit unions appreciate your leadership as we have navigated the unprecedented pandemic and its associated disruptions to our personal and business lives over the past 18 months. Credit unions have remained open for business as essential service providers providing financial solutions for individuals, businesses, and communities.

It is our understanding the 2021 Special Session of the Virginia General Assembly commencing on August 2 will be limited in scope. There are three priorities we wish to address:

**Unemployment Trust Fund** – The League supports the use of an estimated $1.3 billion of federal emergency aid to replenish the state’s unemployment trust fund. Employers facing an uneven recovery should not be subjected to extraordinary payroll tax increases. Shoring up the fund in this manner will benefit credit unions and the businesses they serve.

**Department of Housing and Community Development (CDFIs)** – We applaud the $10 million allocation in the biennial budget that establishes a Virginia Community Financial Institutions (CDFI) Fund. We understand the one-time appropriation is primarily intended for commercial purposes focusing on small businesses. There are 6 CDFI credit unions in Virginia of which the majority can benefit from additional CDFI funds or reallocated funds geared toward consumer lending such as affordable housing and transportation.

**Broadband** – The League supports the Commonwealth Connect Coalition and believes access to broadband is essential for economic development, quality health care, and educational opportunity. Credit unions and their members will benefit from universal broadband access.

Sincerely,

David Miles

Senior Vice President