

# 2025 Hike the Hill Legislative Priorities

## Issues

### I. **Preserve the Credit Union Tax Status**

- A. The One Bill Beautiful Bill, signed into law on July 4, 2025, was a significant victory for credit unions as it did not alter the existing CU tax status.
- B. The possibility of Congress advancing additional reconciliation bills could reignite the tax debate.
- C. The American Bankers Association has already written a letter to the Department of the Treasury requesting further scrutinization of the CU tax status.

### II. ***Credit Card Competition Act (Interchange)***

- A. Proposed legislation would impose routing mandates and reduce interchange income.
- B. This disproportionately harms smaller issuers like credit unions, threatening member rewards, fraud protection, and affordable card access.
- C. The Durbin-Marshall credit card bill has been (and will continue to be) introduced as an amendment in numerous must-pass Senate legislation throughout the years. The NDAA is the next such expected bill to be under threat of CCCA inclusion.

### III. **Regulatory Burdens and Compliance Costs**

- A. Excessive and overlapping regulatory requirements from the CFPB, NCUA, and FinCEN are driving up costs and limiting service to members.
- B. Concerns include overdraft/NSF fee proposals, data privacy compliance, and expanded Bank Secrecy Act reporting obligations.
- C. A few specific legislative fixes include:
  - 1. H.R. 4167, the Expanding Access to Lending Options Act (Rep. Fitzgerald) – would allow the NCUA to increase federal credit union loan maturity caps from current 15-year limit to 20, or more if deemed appropriate.
  - 2. H.R.1799, the Financial Reporting Threshold Modernization Act (Rep. Loudermilk) – would raise the Currency Transaction Report (CTR) threshold from \$10,000 to \$30,000.

### IV. **Liquidity and Interest Rate Environment**

- A. Rising rates and tighter margins have created liquidity stress.
- B. Credit unions are generally well-capitalized, but unexpected liquidity stress can happen.
  - 1. S. 2545 – the NCUA Central Liquidity Facility Enhancements Act (Sens. Padilla and Cramer) - would modernize and expand the CLF's ability to support credit unions during financial stress.
  - 2. This bill was recently introduced in the Senate in late July, and we expect to see its companion introduced in the House soon.

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## V. **Technology and Cybersecurity Fraud**

- A. Fraud losses and cyber threats are escalating, straining resources.
- B. Credit unions need support for modernized cybersecurity standards and parity with banks in data protection frameworks.
  - 1. S. 2019/H.R. 4936 – (TRAPS) Task Force for Recognizing and Averting Payment Scams Act (Sen. Cramer/Rep. Nunn) – would create a federal task force that brings together regulators, banks, and credit unions to combat payment scams through research, prevention strategies, public education, and coordinated enforcement, helping credit unions better protect their members from fraud.

## VI. **Continuing Robust Funding for CDFIs**

- A. The CDFI program provides financial services to underserved communities, including low-income, rural, and minority populations including loans, technical assistance, and grants to community-focused financial institutions.
- B. The demand for CDFI support continues to grow, especially in rural and economically distressed areas. Full funding allows CDFIs to provide more loans and grants, expanding economic opportunity.
- C. For every \$1 provided by the CDFI Fund, CDFIs leverage at least \$8 in private sector investments.
- D. S. 2704 - *CDFI Fund Transparency Act* (Sen. Daines) - would require annual Congressional testimony on the Treasury's CDFI Fund's operations and activities.