

Opening Statement
Chairman Michael G. Oxley
Committee on Financial Services
Subcommittee on Financial Institutions and Consumer Credit
“Credit Union Regulatory Improvements”
July 20, 2004

I want to thank Chairman Bachus for calling this hearing to examine regulatory improvements to our nation’s credit union system. Credit unions serve an important role in the U.S. financial services framework. I believe that Congress should work to ensure that the federal regulatory environment in which credit unions operate is one that encourages innovation while at the same time promoting safe and sound practices.

With total assets in excess of \$610 billion and 82 million members, today’s credit union system is growing and vibrant. Credit unions provide their members with a wide array of financial products, high quality services, and the unique opportunity to participate in an enterprise in which they have a common bond and ownership stake.

This Committee has taken the lead in promoting sensible regulation of depository institutions and encouraging efficiencies in the marketplace. Under the leadership of Representative Capito and Chairman Bachus, the Financial Services Committee crafted H.R. 1375, to alleviate unnecessary and outdated regulatory burdens for a wide range of financial services entities – including credit unions. The House approved this measure overwhelmingly by a vote of 392 to 25. Hope springs eternal that the other body will take up this important legislation before it adjourns later this year.

Representatives Royce and Kanjorski have drafted legislation, H.R. 3579, containing many of the important provisions included in H.R. 1375, as well as a number of other proposals that command broad support in the credit union industry. Today’s hearing provides an opportunity to discuss these and other ideas for improving credit union regulation.

I would like to thank all of the witnesses who are here today to share their perspectives. I want to extend a particular welcome to NCUA Chairman JoAnn Johnson, who is making her first appearance before the Committee since taking over for Chairman Dennis Dollar earlier this year. I look forward to the testimony.