

Statement in Opposition to HB 1135

This statement from Post Office Credit Union of Maryland, Inc., by Joseph Amellio – CEO.

I have a small credit union, a total staff of 5, and to provide for another requirement that is unnecessary puts more burden on us without cause. My small credit union is thoroughly vetted each year by the Office of the Commissioner of Finance, and as my counterparts can attest to, it is a rigorous exam we face each year that encompasses everything this bill is trying to examine again. As an example, the State of Maryland Examiners are in my credit union for six weeks each year, and I am required to answer a 43-page document that encompasses lending practices and looks for discriminatory practices now, which makes me ask the question of why this bill is necessary at all.

As credit unions, we serve a very specific membership and not the whole state as banks do. We have specific members who can join, so not every person can be in the field of membership to borrow at a credit union. This makes it especially vital for examiners to understand our field of membership and the credit union model. Without this context, the data can be manipulated in many ways.

This bill would take time from a small credit union, time that we could be spending on productive lending and offering services to our members that are sorely needed by our members, not producing unnecessary paperwork. Bills like these are the reason why Wall Street Banks have been buying or forced merging true community-based institutions into their portfolios at such a rapid pace.

We are credit unions that already serve members of modest means, that is one of the reasons credit unions were founded, to fulfill a mission of providing financial services to people who could not receive financial services anywhere else, so they banded together in a common bond to save and borrow from themselves, in a cooperative spirit and for provident purposes, not for profit, but for the members ability to borrow at low cost. Why would a bill be entertained that would cost each credit union needless amounts of the members' money to be in compliance with what we are already doing very well?

As I provide extremely low-cost loans, it gives me great pleasure when I get the opportunity to re-finance a loan from an institution that charges in excess of 26% APR for auto loans and provides my members a loan for less than 10% APR saving them over \$250.00 each month, or the payday lenders that I have seen APR' in excess of 300%. We fulfill our obligation to our communities every day, in many ways, as it is our core mission.

Please oppose HB1135

Joseph Amellio

CEO

Post Office Credit Union of Maryland