



DCUC
DEFENSE CREDIT UNION COUNCIL

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Jason Stverak
Chief Advocacy Officer

May 4, 2026

The Honorable Roger Wicker
Chairman
Senate Armed Services Committee
228 Russell Senate Office Building
Washington, DC 20510

The Honorable Jack Reed
Ranking Member
Senate Armed Services Committee
228 Russell Senate Office Building
Washington, DC 20510

The Honorable Mike Rogers
Chairman
House Armed Services Committee
2216 Rayburn House Office Building
Washington, DC 20515

The Honorable Adam Smith
Ranking Member
House Armed Services Committee
2216 Rayburn House Office Building
Washington, DC 20515

Re: DCUC priorities for the Fiscal Year 2027 National Defense Authorization Act

Dear Chairman Wicker, Ranking Member Reed, Chairman Rogers, and Ranking Member Smith:

As you begin to work in earnest on the NDAA, I write on behalf of the Defense Credit Union Council (DCUC) and the more than 200 defense-affiliated credit unions we represent to urge inclusion of several targeted, bipartisan priorities that will strengthen financial readiness for active-duty servicemembers, Guard and Reserve families, veterans, military retirees, and the civilian workforce that supports our national defense. Defense credit unions serve more than 40 million members and operate on more than 300 installations worldwide. In many military communities, they are among the only regulated financial institutions with a direct daily presence on or near the installation.

DCUC's message to the Committees is both simple and urgent. Military financial services should be treated **"as a defense-readiness issue, not as a peripheral banking matter,"** because **"financial readiness is mission readiness."** The Department's own policies recognize that financial readiness is part of mission readiness; they also assign senior DoW responsibility for on-installation financial institutions because those services affect morale, welfare, counseling, consumer protection, and resiliency across the force.

That reality becomes clearest when Congress does not fund the government on time. DCUC's public shutdown record shows defense and military-serving credit unions stepping in with 0% emergency loans, paycheck advances, fee waivers, skip-a-pay programs, mortgage relief, and counseling when military households and federal workers were exposed to delayed pay. DCUC told Senate leadership in January 2026 that these efforts helped thousands of affected families, prevented missed rent and mortgage payments, reduced credit-score harm, and collectively provided millions of dollars in direct relief. We show up to serve our members, not to serve profits.

DCUC also documented concrete examples during the 2025 shutdown. America's Credit Union offered a zero-percent shutdown loan program tied to prior payroll deposits; Andrews Federal Credit Union offered assistance loans up to \$5,000, penalty-free certificate withdrawals, mortgage assistance, and counseling; ABNB Federal Credit Union advertised short-term 0% loans and fee waivers; American Southwest Credit Union offered 0% APR emergency loans up to \$6,000; and Suncoast Credit Union deferred loan extensions, consolidations, and individualized support for affected members, including active-duty personnel and federal employees. These examples demonstrate that defense and military-serving credit unions are not abstract stakeholders — they are operational support institutions for the defense community.

As the Committees begin drafting the FY2027 NDAA, DCUC respectfully urges inclusion of the following priorities:

- **Establish an Advisory Committee on Military Financial Services within the Department of War.** DCUC's April 28, 2026, House Armed Services hearing letter recommended reviving H.R. 10488, or including substantially similar text, to create an advisory mechanism inside the Department that can review installation-level reality before policy changes are imposed from Washington. That model would place the Under Secretary of Defense (Comptroller) at the center of a more coherent oversight structure and would require regular reports on access, legal barriers, overseas operations, and contractual changes affecting military financial services. That recommendation fits existing DoW authorities: DoW Instruction 1000.11 assigns the Comptroller policy responsibility over financial institutions on DoW installations, and DoW Instruction 1322.34 links financial readiness to mission readiness and requires coordination on financial literacy, counseling, and consumer-protection matters affecting the force.
- **Include the Padilla–Cramer NCUA Central Liquidity Facility Enhancements Act.** DCUC's September 5, 2025, NDAA letter specifically requested “**the Padilla–Cramer NCUA Central Liquidity Facility (CLF) Enhancements Act**,” and the case for it remains compelling. S. 2545 would amend section 304(b)(2) of the Federal Credit Union Act by replacing the phrase “all those credit unions” with “such credit unions as the Board may in its discretion determine,” thereby restoring more workable agent-member access. Senator Padilla's introduction statement and NCUA testimony both stressed that, when the temporary enhancement expired, 3,322 smaller credit unions lost access and CLF capacity contracted by almost \$10 billion. For military-serving institutions that often cannot rely on the same backup channels available to larger banks, that is a readiness issue, not merely a technical regulatory matter.
- **Include the Credit Union Board Modernization Act.** In its March 16, 2026, conference letter, DCUC expressly urged inclusion of “**the Credit Union Board Modernization Act (H.R. 975 / S. 522)**.” The bill text is straightforward: it would amend 12 U.S.C. 1761b so that well-rated federal credit unions may meet at least six times annually, with one meeting each fiscal quarter, while retaining monthly meetings for de novo institutions and institutions with weaker ratings. This is a modest governance modernization for member-owned institutions that still preserves tighter supervision where risk is higher. For defense credit unions, whose volunteer boards often include veterans and community leaders already balancing significant responsibilities, the case for modernization is especially strong.

- **Include loan-maturity flexibility through H.R. 4167 / S. 3616.**
 DCUC's March 2026 letter referred to this proposal as **"the Credit Union Loan Flexibility Act (H.R. 4167 / S. 3616),"** but the official short title in the House and Senate bills is the **Expanding Access to Lending Options Act**. The underlying amendment would strike "15 years" and insert "20 years (or longer, as the Board may allow by regulation)" in section 107(5) of the Federal Credit Union Act. DCUC has presented this as a commonsense modernization that better reflects contemporary financing needs, particularly for housing development, commercial real estate, long-term community investments, and military households that need flexible paths to homeownership and post-service housing decisions. DCUC's own January 2026 release on the Senate companion bill also emphasized the special relevance for servicemembers who relocate often and may seek long-term financing for a future retirement home even before it becomes their primary residence.
- **Include the Veterans Member Business Loan Act - Supported by both the DCUC and The American Legion.**
 DCUC's March 2026 letter identified **"the Veterans Member Business Loan Act (H.R. 507 / S. 110)"** as a core conference priority, and its September 2025 NDAA letter separately requested the VMBL Act for the Armed Services Committees. That reform belongs in the FY2027 NDAA because it directly supports veterans' transition to civilian economic life. The bill text would amend section 107A(c) of the Federal Credit Union Act to exclude loans "made to a veteran" from the member-business-loan definition. Just as important, DCUC has not advanced this measure alone. In January 2026, DCUC and The American Legion jointly urged congressional leaders to move the bill swiftly and remove "outdated barriers" that prevent credit unions from more fully serving veteran entrepreneurs. That coalition matters: it shows the issue is not merely regulatory modernization for the credit union sector, but a veteran-opportunity measure supported by a major veterans service organization.
- **Continue to reject any expansion of NCUSIF/share insurance coverage to non-members.**
 DCUC's position here has been consistent and should be stated clearly in the FY2027 letter. In its July 8, 2025, Senate Armed Services subcommittee letter, DCUC wrote that **"NCUSIF protection must therefore remain strictly limited to member deposits"** and urged lawmakers to **"reject any proposals to extend share insurance to non-members."** Earlier 2024 letters made the same point by warning against any attempt to change the Federal Credit Union Act **"to allow for non-member deposits."** A defense bill should not become a vehicle for unrelated amendments that would blur the member-owned structure of credit unions, strain the share insurance framework, and destabilize the on-base financial-services environment that military families rely on.

Accordingly, DCUC respectfully asks the Committees to take four concrete steps as FY2027 NDAA drafting proceeds: first, include the advisory-committee concept and a recurring DoW reporting requirement on installation-level financial-services access; second, incorporate the CLF, board-modernization, loan-maturity, and VMBL provisions in chairman's mark or other base text; third, use report language to direct DoW to integrate qualified on-base financial institutions more effectively into financial-readiness delivery; and fourth, keep the NDAA clean of unrelated provisions, including any attempt to extend NCUSIF coverage to non-members.

Thank you for your leadership and for your continued focus on the quality of life, readiness, and financial security of those who serve. DCUC stands ready to provide technical assistance on legislative text, report language, and implementation questions as the FY2027 NDAA moves forward.

We welcome the opportunity to engage with you and your staff to discuss these concerns in greater detail and to work collaboratively on policies that support the financial readiness of America's Armed Forces and their families.

Please contact me at Jason.Stverak@dcuc.org with any questions about DCUC's comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason Stverak", with a horizontal line extending to the right.

Jason Stverak
Chief Advocacy Officer
DCUC