



National Credit Union Administration

June 4, 2002

The Honorable Max Baucus, Chairman  
Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Baucus:

On behalf of the National Credit Union Administration, we would like to express our support for expanding savings opportunities for Americans through Individual Development Accounts (IDAs), such as is included in the CARE Act (S. 1924) introduced by Senators Lieberman and Santorum. IDAs are matched savings accounts for low-income individuals and are used for home purchases, post-secondary education, or small business capitalization.

Under current law, IDA sponsorship is limited to those credit unions designated by this independent agency, NCUA, as "low-income" credit unions. That designation means a majority of the credit union's membership falls below 80% of the median income for the area. The CARE Act would allow all credit unions the same opportunity to play a significant role in encouraging Americans to improve their savings habits. With many of these credit unions adopting "underserved areas" this financial tool could be put to good use.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis Dollar".

Dennis Dollar  
Chairman

A handwritten signature in black ink, appearing to read "JoAnn Johnson".

JoAnn Johnson  
Board Member

A handwritten signature in black ink, appearing to read "Deborah Matz".

Deborah Matz  
Board Member