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Media Advisory

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Vice Chairman Hood Addresses the HAPI Conference on Affordable and Responsible Lending

May 9, 2007, Alexandria, VA – National Credit Union Administration (NCUA) Vice Chairman Rodney E. Hood addressed a conference hosted by the Hispanic Alliance for Progress Institute (HAPI) in Austin, TX. The conference focused on the state of consumer finance and solutions to predatory lending. Following the roundtable discussion, Hood met with Texas Attorney General Greg Abbott and Leslie Pettijohn, the Texas Consumer Credit Commissioner.

The Vice Chairman began by commending Beth Sturgeon and the dedicated professionals at HAPI for being proactive and taking steps to protect society's lower income consumers. "I appreciate the collaborative environment that HAPI has created here. They had the foresight to bring together representatives from a broad spectrum of financial services providers and fostered an environment where people set aside differences in order to promote full economic participation, prosperity, and entrepreneurship," said Hood.

"Credit unions play a pivotal role in providing hardworking people with the affordable financial products they need to achieve the American dream of homeownership; the products to create small, viable businesses; and the products to send children to college and save for their family's future," said Hood. Credit unions are working diligently to provide alternatives to usurious loans offered by fringe providers of credit. Hood noted that currently, "1,000 credit unions offer alternatives to payday loans and almost all military-affiliated credit unions offer alternatives to payday lending."

Emphasizing the importance of financial education and knowing what options are available, Hood highlighted the differences between "mainstream lenders" and "fringe lenders," and referenced NeighborWorks America's new Foreclosure Prevention initiative as one of many resources available to assist in foreclosure prevention and to help families sustain their dreams of homeownership.

For more information on protection from predatory lending, please access the brochure available on the NCUA website at:

<http://www.ncua.gov/Publications/brochures/PredatoryLending/PredatoryLendingBrochure.pdf>. A Spanish version is available at:

<http://www.ncua.gov/Publications/brochures/PredatoryLending/predatorylendingbrochurespanish.pdf>

Vice Chairman Hood concluded his remarks by commending the audience's commitment to protecting their communities from predatory lending and praised the contribution that credit unions are making in their efforts, "I believe credit unions are a model for financial institutions in offering innovative and beneficial alternatives to predatory lending."

The National Credit Union Administration is the independent federal agency that regulates, charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, also operates and manages the National Credit Union Share Insurance Fund (NCUSIF), insuring the deposits of over 85 million account holders in all federal credit unions and the majority of state-chartered credit unions.