

16.9 percent of the United States population are adults 65 years and older. The nations' population is aging, and it is predicted that one in five Americans will be 65 years or older by 2040.

As our population gets older, it is imperative that we continue to protect ourselves against those who take financial advantage of our elders.

According to the Department of Justice, there were more than 92,000 victims of elder fraud in 2021. These 92,000 cases accounted for \$1.7 billion in losses in 2021.

Financial exploitation refers to financial crimes committed against older adults. Financial abuse is typically committed by someone that the senior knows and trusts, whereas financial fraud is committed by a stranger.

The median income of seniors 65 years and older is \$47,620, while the average annual expenses for this age group is \$48,872.

With this budget mismatch, many seniors are already on strict budgets, and with the risk of financial exploitation, it is essential that this age group is protected by legislation that makes it more difficult for unscrupulous individuals—whether a family member or a stranger—to take their hard-earned money from them.

In 2021, Texas ranked number three in the number of victims of financial exploitation. Almost 6,800 seniors were impacted, and the total losses were over \$150 million.

This legislation would help our seniors by requiring that financial institutions delay the redemption period for redeemable securities if it is believed that the request was made under financial exploitation.

As the number of elders increases in our Nation, the risk of financial exploitation increases. Lawmakers must work together to ensure that we are protecting Americans and their investments, and this legislation would do just that.

This common sense, bipartisan legislation passed the House in the 117th Congress, and shows that the two parties have the ability to come together to work on legislation that positively impacts the American public.

I urge my colleagues on both sides of the aisle to support H.R. 500—the Financial Exploitation Prevention Act of 2023.

As we grow older as a nation, we must work to protect our elders.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 500.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. MCHENRY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

CREDIT UNION BOARD MODERNIZATION ACT

Mr. MCHENRY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 582) to amend the Federal Credit Union Act to modify the frequency of

board of directors meetings, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 582

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Credit Union Board Modernization Act”.

SEC. 2. FREQUENCY OF BOARD OF DIRECTORS MEETINGS.

Section 113 of the Federal Credit Union Act (12 U.S.C. 1761b) is amended—

(1) by striking “monthly” each place such term appears;

(2) in the matter preceding paragraph (1), by striking “The board of directors” and inserting the following:

“(a) IN GENERAL.—The board of directors”;

(3) in subsection (a) (as so designated), by striking “shall meet at least once a month and”;

(4) by adding at the end the following:

“(b) MEETINGS.—The board of directors of a Federal credit union shall meet as follows:

“(1) With respect to a de novo Federal credit union, not less frequently than monthly during each of the first five years of the existence of such Federal credit union.

“(2) Not less than six times annually, with at least one meeting held during each fiscal quarter, with respect to a Federal credit union—

“(A) with composite rating of either 1 or 2 under the Uniform Financial Institutions Rating System (or an equivalent rating under a comparable rating system); and

“(B) with a capability of management rating under such composite rating of either 1 or 2.

“(3) Not less frequently than once a month, with respect to a Federal credit union—

“(A) with composite rating of either 3, 4, or 5 under the Uniform Financial Institutions Rating System (or an equivalent rating under a comparable rating system); or

“(B) with a capability of management rating under such composite rating of either 3, 4, or 5.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MCHENRY) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MCHENRY. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 582, the Credit Union Board Modernization Act.

Every day, consumers in each of our districts rely on their local credit union to help them with things like securing a loan to buy a home, saving for retirement, or even financing tuition. This means that credit unions need to spend their time working with their members, not wasting valuable resources and staff time checking the box on monthly meetings that may not be necessary.

This bill allows credit unions to do that important work. By updating the Federal Credit Union Act to reduce the frequency of required board meetings, certain Federal credit unions will have greater flexibility in meeting requirements. At the same time, the safety and soundness of the financial system will be protected.

Currently, Federal credit union boards are required to meet at least once per month. Under the bill's new requirements, Federal credit unions with a composite CAMELS rating of 1 or 2 will be required to meet at least six times annually, with at least one meeting held during each fiscal quarter.

What does that mean? It means entities with the strongest performance and risk management practices will be rewarded. That means, instead of checking the box on those monthly meetings, if they have high-quality performance and risk management, they will be relieved of some of those burdens.

To be clear, this is not a one-size-fits-all mandate. There is nothing in the bill that prevents those credit union boards from meeting each month or even more often, if needed, and they do. In times of financial stress, these boards meet quite frequently to assess risks and to protect their members' nest eggs.

This bill also acknowledges that new or poor-performing credit unions may require more regular meetings to ensure that they can provide the level of service their communities deserve. This legislation continues to require monthly meetings for new Federal credit unions during the first 5 years of existence.

In addition, credit unions with a composite CAMELS rating of 3, 4, or 5 must continue to meet once a month. These are the credit unions that need to improve performance and risk management practices to ensure the safety and soundness of our financial system.

Mr. Speaker, I will finish with this: This bill is a good illustration of how Members can come together to create bipartisan legislation to modernize outdated practices and policies for the benefit of our communities' financial institutions and for their members.

Mr. Speaker, I commend my colleague, the gentleman from Michigan (Mr. HUIZENGA), the chair of the Subcommittee on Oversight and Investigations, for his good work last Congress and this Congress on this bill, and a bipartisan bill indeed this is.

Mr. Speaker, I reserve the balance of my time, and I urge my colleagues' adoption and support of this bill.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 582, the Credit Union Board Modernization Act, sponsored by Representative VARGAS.

This bill would modernize Federal requirements for Federal credit union board meetings to match a flexibility included in State credit union charter

requirements in 17 States, including my State of California.

Specifically, Federal credit unions are currently required to meet monthly. Under this bill, Federal credit unions that receive high ratings from the regulator would only be required to meet six times annually, with at least one meeting held during each fiscal quarter.

To ensure stability and mitigate the risk of institutional failure, this bill retains certain safeguards. For example, Federal credit unions that receive low exam ratings would still be required to meet at least monthly, as well as newly formed Federal credit union boards during the first 5 years of their charter.

Additionally, if emergencies or issues arise requiring a board meeting, nothing in the bill prevents Federal credit unions from meeting more frequently than what is required.

Mr. Speaker, I urge my colleagues to support this bill, and I reserve the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. HUIZENGA), the chair of the Financial Services Committee's Subcommittee on Oversight and Investigations.

Mr. HUIZENGA. Mr. Speaker, I thank Chairman MCHENRY for yielding me time this afternoon.

I rise today in support of the Credit Union Board Modernization Act and ask for its immediate passage.

Credit unions can play an important role in many of our local communities, often working with families and small business owners to gain access to credit.

H.R. 582 will go a long way to providing reasonable regulatory relief for credit unions, especially in Michigan's Fourth Congressional District and across the Nation.

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Mr. Speaker, if signed into law, these commonsense, reasonable reforms will allow federally chartered credit unions in good standing in Michigan and across the country the same reasonable governance practices afforded to those at the State level.

Currently, all federally chartered credit union boards must meet at least once month. This one-size-fits-all requirement often negatively impacts smaller rural credit unions, which ultimately impacts, frankly, which members are willing to even serve on those boards and therefore the services that they can and will be able to provide to their local community.

The Credit Union Board Modernization Act rightly modernizes how often federally chartered credit union boards must meet, which the National Credit Union Administration currently mandates to be monthly. Nothing in this legislation prevents a credit union from meeting more than six times a year. It just gives them the flexibility and they are able to then decide. That

is the idea of a credit union; member-driven, they will decide.

Mr. Speaker, I thank the sponsor of this bill, the gentleman from California (Mr. VARGAS) for working with Republicans, and specifically me, this last Congress to implement these reasonable safeguards.

I do want to note, specifically, this legislation does not apply to new credit unions or those credit unions with low exam ratings, as the chair had indicated. Highly rated credit unions with high management ratings must hold at least six meetings annually, with at least one meeting held during each fiscal quarter.

Alternatively, these lower-rated credit unions must continue to meet once a month, and there will be direction on that, as the chair has outlined.

I want to be clear. This bill does not give credit unions an advantage over their community bank counterparts but brings parity to an outdated process.

Again, I thank Congressman VARGAS for his commitment to make this a bipartisan effort. I look forward to seeing these reforms, which will strengthen local economies across the Nation, enacted into law.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time for closing.

Mr. Speaker, I applaud Mr. VARGAS' efforts to work on this bipartisan bill and appreciate that the reforms in this bill have been structured in a way to incentivize credit union boards to take steps to ensure their institutions are safe, sound, and well managed.

This bill has broad support, including from credit unions, like the California and Nevada Credit Union Leagues, to consumer groups like Americans for Financial Reform.

I am pleased to work with Mr. VARGAS to advance this bill through the House. I was pleased to do this in the last Congress.

Mr. Speaker, I urge my colleagues to support this bill, and I yield back the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield myself the balance of my time for closing.

This is the case on the House Financial Services Committee, when we see a challenge that has a commonsense solution, we try to tackle it and we try to tackle it in a bipartisan way.

I want to concur with Mr. HUIZENGA in his praise of Mr. VARGAS. This was a bipartisan bill between Mr. VARGAS and Mr. HUIZENGA last Congress, and it continues to be a bipartisan bill this Congress.

I thank my colleague, Mr. VARGAS, for offering it, and I thank the ranking member for working with me and with my team to bring these three bipartisan bills before the full House in the opening month of Congress.

Mr. Speaker, I urge this bill's adoption, and I yield back the balance of my time.

Ms. JACKSON LEE. Mr. Speaker, I rise today in support of H.R. 582, the "Credit

Union Board Modernization Act" which would give credit unions more flexibility in their governance by not mandating monthly board meetings.

H.R. 582 would allow credit unions to dedicate more time and resources to serving their members by reducing the frequency that the board of directors of a federal credit union would be required to meet each year.

In the modern world, with increased connectivity from today's technology, boards of Credit Unions should not be subjected to mandated minimum meetings but should be provided with the flexibility to determine the frequency of their meetings as provided within the guidelines outlined in this bill.

By modernizing Credit Unions, we are ensuring that working class people who are exercising their right to choose what financial service they want, get the most from their chosen service.

This bill would be helpful to small credit unions, especially those that are closest to individual communities and whose boards may not be able to meet every month.

For years, I have supported Credit Unions by supporting their tax-exempt status in 2004 and 2011.

In 2012, I recognized and supported the Texas Dow Employees Credit Union full-service center, which was an important asset to the community.

Credit unions provide a critical resource to many working families by allowing them to have access to our financial system when they might otherwise be restricted from such access.

My constituents and many Americans rely on credit unions as a reasonable and trustworthy financial service.

According to the CUNA (Credit Union National Association), nationally there are over 135 million Americans who are members in a credit union.

In Texas alone, credit unions have 422 credit unions headquartered in the state and over 10 million members' total as of 2022.

If we require credit unions to dedicate resources to meetings instead of providing service to their members, we are failing our constituents.

America's credit unions are a central part of our Nation's financial prosperity and must be supported and uplifted through shifting times of essential modernization.

I support this bill and urge my colleagues to join me.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 582.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXPANDING ACCESS TO CAPITAL FOR RURAL JOB CREATORS ACT

Mr. MCHENRY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 298) to amend the Securities Exchange Act of 1934 to expand access to capital for rural-area small businesses, and for other purposes.