

Statement of Todd M. Harper
Nominee for the Board of the National Credit Union Administration

Nominations Hearing before the
Senate Committee on Banking, Housing and Urban Affairs

February 14, 2019

Chairman Crapo, Ranking Member Brown, and Members of the Committee, thank you for the invitation to testify before you today as a nominee to become a Board Member of the National Credit Union Administration. If confirmed, it would be an honor and a privilege to serve.

Moreover, I am humbled by the trust and faith placed in me by the administration and the U.S. Senate. I am especially grateful to those who have supported me in this process, including Chairman Crapo and his staff who moved quickly to consider me, the President and his aides who vetted and nominated me, and Democratic Leader Schumer and Ranking Member Brown who recommended me.

With nearly 25 years of government experience primarily working for Congress on financial services matters and at the NCUA, I have gained broad knowledge of financial services regulatory matters and a deep understanding of the many policy issues facing the \$1.4 trillion credit union system and its 115.4 million members.

But my commitment to public service really started with my parents. As professional educators and community leaders, my parents instilled in me a strong desire to give back to others. They also taught me the importance of finding common ground when making decisions.

You see, before they fell in love and married, my mother was the president of the teacher's union and my father was the superintendent of schools. One was a Democrat and the other a Republican, yet during negotiations they would work together to reach the best possible deal for both sides.

I have carried their leadership lessons with me throughout my career. As a result, I have skillfully solved complex problems, reached bipartisan consensus where possible, and bridged differences between business and government to produce results.

As a long-time congressional aide, I served as a senior advisor to Congressman Paul E. Kanjorski of Pennsylvania and staff director of the House Financial Services Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises. In these roles, I worked on every major financial services law from the enactment of the Gramm-Leach-Bliley Financial Services Modernization Act in 1999 through the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act in 2010.

Most notable, however, is my long track record of working on credit union issues, which began when Congress considered and passed the Credit Union Membership Access Act. Introduced by Congressman Kanjorski and Congressman Steve LaTourette of Ohio, the bipartisan law responded to a U.S. Supreme Court ruling that threatened the long-term viability of thousands of credit unions.

Subsequently, I led staff in drafting the first version of the Credit Union Regulatory Improvements Act of 2003, bipartisan legislation introduced by Congressman Kanjorski and Congressman Ed Royce of California. Their bill aimed to strengthen capital standards, advance economic opportunity, and provide targeted regulatory relief, three goals that continue to guide me.

During the financial crisis, I worked to convene the first congressional hearing to explore the creation of a Temporary Corporate Credit Union Stabilization Fund. And in 2010, I spearheaded staff efforts in the House to secure enactment of a law to lower the costs of managing both the Corporate Stabilization Fund and the National Credit Union Share Insurance Fund.

Most recently, I spent six years as NCUA's senior executive for public and congressional affairs, as well as the chief policy advisor to former Chairmen Debbie Matz and Rick Metsger. Ultimately, the time I spent at NCUA strengthened my knowledge of the credit union system and honed my management skills. In 2015, the agency recognized my leadership abilities by selecting me as a supervisor of the year.

My professional experiences have also informed my regulatory philosophy. In my view, financial regulators need to be fair and forward looking; innovative, inclusive, and independent; risk focused and ready to act expeditiously when necessary; and appropriately engaged with all stakeholders to develop effective, but not excessive, regulation.

Additionally, an NCUA Board Member should be well informed, ask tough questions, and make impartial judgments that balance competing viewpoints in a transparent manner. If confirmed, I am confident I would do just that.

My priorities, first and foremost, would be to safeguard the safety and soundness of federally insured credit unions, preserve the integrity of the credit union industry in a continually evolving and increasingly complex marketplace, and protect taxpayers and credit union members from losses to the Share Insurance Fund. Accordingly, if confirmed, I would focus on the issues of capital, liquidity, and cybersecurity. I would also prioritize the agency's consumer protection responsibilities, consistent with the law.

By law, the credit union system has a mission to promote thrift and serve people of modest means. As such, if confirmed, I would work diligently with my NCUA Board colleagues to foster an environment that supports small credit unions, minority depository institutions, and low-income credit unions, which face the challenges of increased competition, limited resources, and difficulties in achieving economies of scale.

Additionally, I am committed to increasing access to financial services for both the unbanked and the underbanked. This, too, would be a priority for my work.

In closing, it would be a tremendous honor, if confirmed, to serve as an NCUA Board Member. I believe that my expertise on financial services policy and credit union issues, prior experience as a senior congressional and regulatory staffer, proven ability to fairly consider and balance competing viewpoints, and demonstrated strategic leadership and communications skills combine to make me well qualified to serve in this position.

Thank you again for the chance to appear before you today and for considering me for this role.
