

Statement of Rodney E. Hood
Nominee for Board of the National Credit Union Administration
Nomination Hearing before the Senate Committee on
Banking, Housing and Urban Affairs
February 14, 2019

Chairman Crapo, Ranking Member Brown and Distinguished Members of the Committee, Thank You for the opportunity to meet with you this morning as a nominee to serve on the Board of the National Credit Union Administration.

It is indeed an honor and a privilege to be nominated to the NCUA Board, and if confirmed, I will do my level best to fulfill the trust placed in me by the president and the U.S. Senate. I am especially grateful for the unwavering support I have received from the Senators of my home state, Senator Richard Burr and Senator Thom Tillis. I am humbled by the gracious words expressed in their letter on my behalf for the public record and applaud their remarkable leadership and service to the state of North Carolina.

I also want to thank NCUA Board Chairman J. Mark McWatters for his encouragement, my fellow nominee, Todd Harper, for his patience and tenacity, and the professional staff at the NCUA who provided me thorough briefings and insights on the myriad issues facing the agency and federally insured credit unions.

While my parents are not here in person, I feel the warmth of their presence as they watch from heaven. I am thankful to them for bequeathing to me a strong value system – a value system that encompasses humility, integrity, hard work and compassion. I believe these values have helped me make a difference in the lives of many people during my 25 years in the private sector and in public service.

Through my education and work experiences, I have developed and nurtured a broad knowledge of the financial services industry and have a keen understanding of the tremendous responsibilities of regulators. The NCUA plays an important role as both regulator and insurer to protect the savings of more than 105 million Americans in an industry with more than \$1.4 trillion in assets.

I also recognize credit unions play a critical role in helping families achieve the American dream of homeownership; assisting entrepreneurs in creating small businesses; and providing the trusted affordable and essential financial services so families can save for the future. If confirmed by the Senate, I will work diligently to ensure the continued safety and soundness of our nation's credit union system as it competes in a dynamic and ever-changing marketplace.

I look forward to returning to NCUA and fulfilling the duties and responsibilities of a Board Member. My paramount responsibility will be ensuring the safe and sound operation of federally-insured credit unions. Additional responsibilities will include ensuring that NCUA thoroughly applies all relevant consumer protections, creates opportunities to promote financial education & financial inclusion, and fosters an environment where low-to-moderate income and disabled individuals have access to affordable financial services.

I am committed to listening carefully, working hard, and doing my level best to ensure the safety and soundness of the nation's credit union system – both the financial institutions and the National Credit Union Share Insurance Fund.

During the four years of my term at NCUA over a decade ago, I worked diligently to fairly and thoughtfully implement the Federal Credit Union Act and ensure the safety and soundness of the nation's then 8,000 credit unions, which at the time more than 80 million member-owners and had assets over \$600 billion. My regulatory philosophy was, and still remains, that regulation needs to be effective, but not excessive.

One of my lasting accomplishments from my previous term at NCUA was the launch of Enterprise Risk Management Summits that provided training sessions to credit unions on how to mitigate and manage risks. Working in collaboration with regulators from the Federal Reserve, OCC, FDIC, Federal Home Loan Banks and National Economic Council, I hosted sessions with subject matter experts and credit union leaders that addressed risk areas such as liquidity, interest rate and concentration. It was through my efforts that today Enterprise Risk Management is embedded in the Agency's supervisory & examination process.

My interest in serving vulnerable communities grew from my volunteer work as a missionary in Africa and later as a banker engaged in community development. I still fondly remember the joy and excitement I saw when a young woman who attended one of my bank's homebuyer education classes, learned that homeownership was not just a dream for her and her family. She was able to attend a series of homebuyer classes, build a credit profile and obtain down-payment assistance to purchase her first home. She showed her appreciation by inviting me to tour her new home and share a meal with her family.

I have heard it said, "The true measure of compassion is more than good intentions, it is good results." I have been blessed and fortunate to spend over 25-years working with some of the country's most respected financial institutions that sought to empower economic stability and shared prosperity in our local communities. While at North Carolina Mutual and Wells Fargo, I held management positions that allowed me to promote community development and outreach initiatives to underserved communities. I served on the board of the Wells Fargo Housing Foundation, and managed public-private partnerships with results-oriented organizations such as the Neighborhood Reinvestment Corporation and Habitat for Humanity.

Having served as a Community Reinvestment Act Officer at Bank of America and National Director of Affordable Housing at Wells Fargo, I have been both an advocate for and provider of affordable housing and small business lending. In those positions, I oversaw loan programs, managed teams of regional community development managers, and worked with our credit policy group to evaluate and manage risks. I have also provided financial education to underserved communities by conducting seminars on how to buy a home and obtain the financing necessary to start a small business.

My current work in the Corporate Responsibility Group at JPMorgan Chase provides me with opportunities to manage national partnerships with nonprofit organizations such as the NAACP, National Urban League, NeighborWorks America, National Disability Institute and RespectAbility in promoting financial inclusion and shared prosperity in underserved communities. I also work with regulators from the OCC, FDIC, Federal Reserve, and CFPB in hosting Financial Inclusion Summits for the

disabled community. These experiences directly exposed me to the importance of regulatory review, financial soundness, and risk management.

My public sector experience includes serving as the Associate Administrator of the Rural Housing Service at the U.S. Department of Agriculture, where I helped administer a \$43 billion loan portfolio of over 400,000 homeowners. I also served on the Board of NeighborWorks America with leaders from the federal banking regulators and the Federal Housing Commissioner. Additional public sector experience includes my term as a member of the University of North Carolina System Board of Governors --- the policy and oversight body for North Carolina's public college system -- serving 17 universities, more than 220,000 students and the UNC Hospital System. In that role, I served as the Vice Chairman of the Board's Audit, Risk Management and Compliance Committee.

My experiences in the private and public sectors have provided me with leadership opportunities and have taught me valuable lessons about responsibility, accountability and transparency. This includes the importance of building solid teams, paying attention to the basics, and putting a face on the decisions you make. These experiences have provided me with a sound foundation and robust skill set for evaluating the policy issues facing the NCUA Board.

If confirmed by the Senate, I will return to the NCUA with a risk-based and market-oriented mindset based on the following tenets:

- First, I will work to ensure that credit unions remain safe and sound institutions.
- Second, I will strive to be recognized as a fair and thoughtful regulator – one who realizes the value and necessity of regulation while also being cognizant of the impact of excessive regulation.
- Third, I will bring focused leadership and management to the NCUA while seeking to ensure efficient operations and prudent use of resources.
- Fourth and finally understand the importance of disclosure and transparency and will work closely with the Members of this Committee, and all members of Congress, to ensure the financial integrity of credit unions in an ever-changing and dynamic environment.

Mr. Chairman and Members of the Committee, I am honored to appear before you this morning and would like to thank you again for your courtesy and consideration. I welcome any questions you may have.