

**MICHIGAN CREDIT UNION LEAGUE**

**ACTION FUND**

## 2018 STATE CANDIDATE QUESTIONNAIRE

1. Candidate Name:
2. Campaign Committee Name:
3. Campaign Address:
4. Campaign Phone:
5. Treasurer’s Name:
6. Candidate E-mail Address:
7. Michigan Senate/ Michigan House:
8. District Number:
9. Party Affiliation:
10. Have you ever held another elected office?
11. If "Yes" to 10, what office(s) have you held?
12. What is your current occupation and employer?
13. Has your campaign been formally endorsed by any financial services industry group(s)
14. If "Yes" to 13, what group(s)?
15. Are you a member of a credit union(s)?
16. If "Yes" to 15, what credit union(s)
17. Have you or any family members ever been a credit union volunteer or employee?
18. If "Yes" to 17, what credit union(s) and what position(s)
19. Is your candidate election committee located at a credit union?
20. If "Yes" to 19, what credit union?
21. How would you rate your knowledge and understanding of credit unions?

22. Several years ago, the Michigan Legislature repealed and replaced the former Single Business Tax (SBT). As part of this process, the state tax for Michigan’s for-profit banks was crafted, the Financial Institutions Tax (FIT). As not-for-profit entities, state chartered credit unions are exempt from paying the SBT and this exemption was carried over into the new FIT. Outside of state income tax, credit unions are required to pay all other forms of Michigan taxes including payroll taxes, sales tax, and property taxes. Furthermore, credit unions have a member-controlled cooperative structure, have volunteer boards of directors, and do not issue capital stock. After capital requirements are satisfied, earnings are returned to members in the form of lower loan rates, higher interest on deposits, and lower fees. If elected, would you support maintaining the not-for-profit status of Michigan’s state chartered credit unions?

Explain:

23. In recent years, several major national retailers have reported large data breaches. The national retailer Target was compromised during the peak of the holiday shopping season, costing financial institutions millions of dollars nationwide. Michigan’s credit unions were burdened with significant costs, including reissuing members new debit/credit cards for cards that were compromised, additional staff time, etc. The actual cost is much higher, as this figure does not include the cost of actual fraud, which continues long after the breach. Wendy’s had at least 1,025 locations breached and one Michigan credit union had roughly one-million dollars in losses. Current data breach regulations prohibit a financial institution from communicating the entity that caused a breach to their customer/member. For years, financial institutions have been subject to the Graham-Leach Bliley Act (GLB) data security standards. The retail industry has not been held to the same standards in regards to protecting consumer data. The MCUL supports efforts to further enhance consumer protections and increase retailer accountability for data security protection through state data breach notification requirements. The MCUL also supports efforts to allow disclosure of where a breach occurs, to offset negative reputation risk to the financial institution, and supports efforts to strengthen information protection at retailers with regard to payment products. Do you support reasonable legislation to increase the data security standards of the retail industry?

Explain:

24. In 2005 the Deferred Presentment Service Transactions Act (DPSTA) was passed, legitimizing the payday lending industry in Michigan in exchange for regulation by the Department of Insurance and Financial Institutions (DIFS) and compliance with basic consumer protections curbing practices that put borrowers at the highest risk. In addition to requiring licensing, the DPSTA gives DIFS the authority to examine payday lenders and puts reasonable limits on the number of loans consumers can take out at any one time. It also establishes a statewide database of outstanding payday loans and puts caps on fees charged by payday lenders.

Legislation is being considered this session that would create a new regulatory framework and act under which payday lenders would be able to loan consumers up to $2,500 with a loan term of two years. Heavily regulated depository institutions such as credit unions are required to calculate a member’s ability to repay loans, which less regulated lenders such as payday lenders are not. If elected, would you oppose lending authority expansions for payday lenders?

Explain:

25. Candidate Signature

*(Questionnaires submitted without a valid candidate signature will not be considered for endorsement and/or financial support.)*

**Please submit surveys to:**

**Michigan Credit Union League & Affiliates**

**Attn: Government Affairs**

**110 West Michigan, Suite 400**

**Lansing, MI 48933**

**Fax: 517-482-3762**

**Jordan.Kingdon@mcul.org**