



March 6, 2023

Chair Stephenson, Minority Lead O'Driscoll, and members of the Commerce Committee,

I am writing today to submit comments on behalf of the Minnesota Credit Union Network (MnCUN) in support of HF 2413. MnCUN is the trade association for credit unions in our state and works to ensure the success, growth, and vitality of our member credit unions and their more than 2 million members.

H.F. 2413 is the result of productive conversations with the bill proponents and financial institutions, including credit unions. The definition of coerced debt is a new one, with only a small number of states having defined the term within their statutes to this point.

Identifying the heartbreaking and difficult circumstances that victims of coerced debt face and determining how best able to help them move forward is a laudable target that the proponents are working to address, and Minnesota credit unions always stand ready to help their members and communities achieve their best financial lives.

Historically, credit unions have always stood for strong consumer protection as the co-operative not-for-profit business model was made by and for our members, their families, and communities. Those inextricable bonds between members and *their* credit union being in the same community(s). This inexorable bond is the DNA of the first credit unions being formed in North America in response to individuals being financially taken advantage of by foreign and domestic lenders.

Alphonse Desjardins, the founder of *Caisse d'épargne Desjardins*, was moved to fight against these predatory and usurious loan practices in 1897 advocating for a Montreal-based debtor who was ordered by court to pay nearly \$5,000 in interest to a dubious moneylender on a loan of only \$150. That ethos of consumer protection draws a straight line to the present-day credit union movement who proudly support the intent, purpose, and language of HF 2413.

We would like to thank Mid-Minnesota Legal Aid and the bill proponents for their work and their willingness to listen to constructive comments and stand ready to enact the tenets found in the bill.

Thank you for the opportunity to comment and we would urge you to vote in favor of HF 2413.

Sincerely,

Ryan Smith
Director of Government Affairs