

TO: Senator Dole  
FR: Kerry

RE: Remarks to National Association of Federal Credit Unions  
Wednesday, March 11  
10:50 a.m.

\*You will be meeting with approximately 300 credit union CEO's and managers from across the country.

\*They have asked for 10-15 minutes of remarks on current events, followed by a few minutes of Q&A.

\*As the attached remarks mention, Jon Lynn's father, a credit union CEO from California, will be in attendance.

*They have issues  
What are they*

SPEAK



Wednesday March 11  
Grand Hyatt Hotel  
Washington, D.C.  
10:50-11:25 am  
(flexible)

NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS  
P.O. Box 3769 WASHINGTON, DC 20007  
(703) 522-4770

November 8, 1991

approx 300

The Honorable Robert Dole  
Republican Leader of the Senate  
S-230 Capitol Building  
United States Senate  
Washington, D.C. 20510

*William J. Donovan*

\$1,000-

Dear Senator Dole:

Each year, the National Association of Federal Credit Unions (NAFCU) holds its Congressional Caucus to give credit union officials from throughout the country an opportunity to come to Washington to hear directly from government officials about issues that may affect the operations of their credit unions. This year, we will be holding our Caucus from March 8-11, 1992, at the Grand Hyatt Hotel in Washington, DC. This is a particularly significant year for NAFCU as it marks our 25th Anniversary.

On behalf of NAFCU, the national trade association that exclusively represents the interests of our nation's federal credit unions, we would like to invite you to address our members on Wednesday, March 11, 1992, from 10:50 a.m. - 11:25 a.m. Of course, if this date or time is not convenient, we would be happy to rearrange our program to accommodate your schedule. We expect approximately 300 credit union officials to attend our Caucus.

You are no stranger to NAFCU's Congressional Caucus, since your address was the high point of our 1990 gathering. In addition to yourself, in past years, then Presidential candidates George Bush, Gary Hart and Alan Cranston, as well as Federal Reserve Board Chairman Paul Volcker, Senate Banking Committee Chairman William Proxmire, and many other distinguished guests have addressed our delegates. This year, some of our invited speakers include Vice President Quayle, Senator Riegle, Senator Pryor and Senator Metzenbaum. We would be most honored if you would address our delegates as well.

Please call me at (800) 336-4644 or (703) 522-4770, if you have any questions about our Caucus, and to let me know whether you will be able to attend. Thank you for considering our request.

Best personal regards,

William J. Donovan  
Vice President for Government Affairs  
Government Affairs Counsel

WJD:dt

**SENATOR BOB DOLE**

**NATIONAL ASSOCIATION OF  
FEDERAL CREDIT UNIONS**

**MARCH 11, 1992**

- **THANK YOU.**
- **AS I'M SURE YOU KNOW,  
THE ELECTION SEASON IS  
UPON US. ALL ACROSS  
AMERICA, VOTERS ARE  
MAKING ONE OF THE MOST**



**IMPORTANT DECISIONS OF  
OUR TIME. BUT ENOUGH  
ABOUT THE NEW ELVIS  
PRESLEY STAMP....**

- **SERIOUSLY, IT IS A  
PLEASURE TO BE HERE  
WITH YOU TODAY. AND IF  
YESTERDAY WAS SUPER  
TUESDAY, THEN FOR PAT  
BUCHANAN AND PAUL**

**TSONGAS, TODAY MUST BE**

**"LOUSY WEDNESDAY."**

- **SPEAKING OF ELECTIONS, I**

**COULDN'T HELP BUT**

**NOTICE THAT THIS YEAR'S**

**CHAIRMAN OF THE**

**N.A.F.C.U. IS HANK KLEIN,**

**PRESIDENT AND CEO OF**

**THE ARKANSAS FEDERAL**

**CREDIT UNION IN LITTLE**

**ROCK.**

- **I KNOW THIS ISN'T A  
PARTISAN AUDIENCE, AND I  
DON'T WANT TO ENGAGE IN  
A POLITICAL DEBATE, BUT  
LET ME JUST SAY THAT I  
HOPE HANK IS THE ONLY  
PERSON FROM LITTLE ROCK  
WHO BECOMES PRESIDENT  
THIS YEAR.**

- **I ALSO WANT TO OFFER A  
SPECIAL GREETING TO  
GENERAL JOHN GONGE  
(PRONOUNCED "GONG"),  
PRESIDENT AND CEO OF  
TRAVIS FEDERAL CREDIT  
UNION.**
- **THE GENERAL'S DAUGHTER,  
JON LYNN, WORKS FOR ME,  
AND HAS KEPT MY CAPITOL**



**OFFICE RUNNING  
SMOOTHLY FOR A NUMBER  
OF YEARS. I SPOKE WITH  
JON LYNN JUST BEFORE I  
CAME DOWN HERE THIS  
MORNING, GENERAL, AND  
SHE WANTED ME TO TELL  
YOU THAT I STILL HAVEN'T  
GIVEN HER A RAISE, SO  
SEND MONEY.**



- **SERIOUSLY, IT IS A  
PLEASURE TO BE HERE TO  
HELP YOU CELEBRATE THE  
25TH ANNIVERSARY OF THE  
NATIONAL ASSOCIATION OF  
FEDERAL CREDIT UNIONS.**
- **THE WORLD HAS SEEN  
MANY CHANGES THESE  
PAST 25 YEARS -- BUT ONE  
THING THAT HAS REMAINED**

**CONSTANT IS THE FACT  
THAT AMERICA'S CREDIT  
UNIONS PLAY A VITAL ROLE  
IN OUR NATION'S  
ECONOMY.**

- **YOU CAN ALSO BE PROUD  
OF THE FACT THAT THE  
CREDIT UNION INSURANCE  
FUND IS THE ONLY FEDERAL  
DEPOSIT FUND THAT DID**

**NOT RECEIVE SEED MONEY  
FROM THE GOVERNMENT AT  
ITS INCEPTION -- AS DID  
THE FDIC AND THE FSLIC --  
AND IT'S THE ONLY  
FEDERAL DEPOSIT  
INSURANCE FUND THAT HAS  
NEVER BEEN A DRAIN ON  
TAXPAYERS. THAT'S  
SOMETHING THESE DAYS.**



- **AND SPEAKING OF A DRAIN  
ON TAXPAYERS, LET ME  
TAKE A FEW MINUTES TO  
TALK ABOUT CONGRESS.**
- **AS YOU MAY KNOW, THE  
SENATE IS CONTINUING  
DEBATE TODAY ON THE SO-  
CALLED ECONOMIC  
GROWTH BILL PUT  
TOGETHER BY THE**

## **DEMOCRATS.**

- **UPDATE ON ECONOMIC GROWTH BILL.**
- **INSTEAD OF ENGAGING IN CLASS WARFARE, CONGRESS NEEDS TO SPEND LESS TIME DREAMING UP NEW TAXES, AND MORE TIME LOOKING FOR WAYS TO IMPROVE THE**

**REAL ESTATE MARKET, AND  
TO MAKE IRA'S AND OTHER  
INVESTMENTS MORE  
ATTRACTIVE.**

- **PERSONALLY, I HAVE A  
FEELING THAT THE  
PACKAGE EVENTUALLY  
AGREED UPON MAY BE  
WHAT I CALL THE  
"WASHINGTON POST"**



## **PACKAGE.**

- **THE POST HAD A RECENT EDITORIAL TITLED, "KILL ALL THE TAX BILLS." SAYING THAT SINCE CONGRESS CAN'T AGREE ON WHAT'S BEST FOR THE COUNTRY, IT'S PROBABLY BETTER THAT WE LEAVE THINGS ALONE RATHER THAN**

## **MAKING THEM WORSE.**

- **I KNOW THAT THE CREDIT UNIONS HAVE SOME POKERS IN THE FIRE IN THIS DEBATE AS WELL .**
- **THE PRESIDENT'S ECONOMIC GROWTH PROPOSAL WOULD HAVE REPEALED THE CURRENT TAX EXEMPTION FOR**

**CREDIT UNIONS THAT HAVE  
ASSETS OF MORE THAN \$50  
MILLION IN ANY TAXABLE  
YEAR.**

- **I KNOW THAT THIS  
PROPOSAL DOESN'T MAKE  
MANY OF YOU VERY HAPPY  
AND I THINK YOU CAN  
SAFELY SAY THAT THIS  
PROPOSAL -- WHICH AS**



**YOU KNOW IS NOT IN THE  
DEMOCRATIC PLAN BEING  
DEBATED -- WON'T BE  
GOING ANYWHERE THIS  
ELECTION YEAR.**

- **LIKE YOU, I AM CONCERNED  
ABOUT THE LOW SAVINGS  
RATE OF AMERICANS AND  
AM SEARCHING FOR WAYS  
TO ENCOURAGE OUR**

**CITIZENS TO SAVE MORE OF  
THEIR INCOME. A NUMBER  
OF PROPOSALS HAVE BEEN  
OFFERED TO MAKE IRA'S  
MORE ATTRACTIVE,  
ALTHOUGH THE PROBLEM  
WITH THESE PROPOSALS IS  
THAT THEY COST BILLIONS  
AND ULTIMATELY HIKE THE  
DEFICIT.**

- **I'M FOR IMPROVED SAVINGS  
BUT NOT IF IT MEANS  
ADDING TO THE DEFICIT  
CAUSING MORE JOB  
LOSSES AND PROBLEMS  
FOR THE U.S. ECONOMY.**
- **SPEAKING OF WHICH, I  
KNOW YOU ARE  
CONCERNED ABOUT THE  
BIG INCREASES IN**

**BANKRUPTCIES AND WHAT  
THIS DOES TO THE  
ECONOMY -- NOT THE  
LEAST OF WHICH ARE  
FINANCIAL INSTITUTIONS  
WHICH ARE OFTEN LEFT  
HOLDING THE BAG.**

- **PART OF THE PROBLEM IS,  
OF COURSE, THAT  
BUSINESS AND AMERICANS**



**AT ALL ECONOMIC LEVELS  
HAVE BEEN HIT HARD IN  
THIS RECESSION. YOU SEE  
IT WITH THE  
UNEMPLOYMENT RATE -- 7.3  
PERCENT FOR THE MONTH  
OF FEBRUARY -- AND ALL  
THE "FOR LEASE" SIGNS IN  
OFFICE BUILDINGS.**

- **ANOTHER PART OF THE**

**PROBLEM IS THAT OUR  
BANKRUPTCY SYSTEM  
DOES NOT PROVIDE  
CREDITORS WITH ENOUGH  
PROTECTIONS AND WORKS  
FOR THE LAWYERS AND  
ACCOUNTANTS WHO GET  
HUGE FEES. AFTER  
MONTHS OF LITIGATION  
AND WAITING, THERE'S**

**RARELY VERY MUCH LEFT  
FOR THE CREDITORS.  
SOMETHING NEEDS TO BE  
DONE ON THIS AND THERE  
ARE A COUPLE GOOD  
LEGISLATIVE PROPOSALS  
OUT THERE THAT APPEAR  
TO BE GENERATING SOME  
INTEREST AND GAINING  
SOME MOMENTUM.**

- **I WANT TO LEAVE TIME TO  
ANSWER A FEW OF YOUR  
QUESTIONS BEFORE I HAVE  
TO GET BACK TO CAPITOL  
HILL TO KEEP AN EYE ON  
THE DEMOCRATS.**



NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS  
P.O. Box 8769 ■ Washington, D.C. 20007  
(703) 522-4770 ■ (800) 336-4644 ■ FAX (703) 524-1082



## MEMORANDUM

TO: Yvonne Hopkins  
Office of Senator Dole

FROM: Bill Donovan *[Signature]*  
Vice President for Government Affairs

DATE: March 3, 1992

SUBJECT: Senator Dole's Credit Union Speech on Wednesday, March 11

Thank you for confirming Senator Dole's intention to address delegates attending the National Association of Federal Credit Unions' (NAFCU's) annual Congressional Caucus next week. Our meeting will be held in the Constitution Ballroom of the Grand Hyatt Hotel. Approximately 300 delegates from throughout the country will be in attendance. Senator Dole is scheduled to speak on Wednesday, March 11, from 10:50 - 11:25 a.m.

A few points of information that may assist in preparing Senator Dole's remarks:

1. Credit unions, which are member-owned financial cooperatives, have continued to perform quite well, despite the economic downturn of the past few years.
2. The credit union insurance fund is the only federal deposit insurance fund that did not receive seed money from the government at its inception (as did FDIC and FSLIC), and is the only federal deposit insurance fund that has never been a drain on taxpayers.
3. The National Association of Federal Credit Unions (NAFCU) is celebrating its 25th anniversary of representing credit union interests in Washington this year. If Senator Dole could comment on this, and of NAFCU's effectiveness as a credit union advocate, we would appreciate it.
4. The current chairman (elected head) of NAFCU is Hank Klein, President and CEO of Arkansas Federal Credit Union in Little Rock, Arkansas.

Memorandum

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March 3, 1992

5. The President of NAFCU (CEO) for the past 8 years has been Kenneth L. Robinson, a retired Marine Corps Major General.
6. NAFCU's chief lobbyist for the past 13 years has been Bill Donovan.
7. Jon Lynn Kerchner's father, General John F. Gonge, is President and CEO of Travis Federal Credit Union. He will be in attendance.
8. Given Senator Dole's humorous wit, he may want to say something about the 2 generals (Robinson and Gonge) and the 1 admiral (Tom Hughes -- CEO of Navy Federal Credit Union) who will be in attendance.
9. As far as substantive issues are concerned, credit unions:
  - \* oppose the Bush proposal to tax large credit unions.
  - \* support efforts to make IRA's more attractive.
  - \* are committed to the preservation of a separate, independent credit union system. *Currently regulated by Credit Union Administration & don't want to be regulated with banks by banking regulators.*
  - \* are concerned with the 21% increase in bankruptcy filings that occurred in 1991. *From 1989 to 1990 bankruptcies increased 15,000. From 1990 to 1991 bankruptcies increased 21,000.*
  - \* are dedicated to providing low-cost financial services to members.
10. In addition to the 25th anniversary theme that will run through our conference, a sub-theme will be "Credit Unions Build Confidence," and delegates will be wearing buttons with that message on it.
11. Since you will be speaking the day after Super Tuesday, your analysis of Super Tuesday balloting and its implications for the balance of the Presidential campaign would be very much appreciated.

*there is a Heflin/Conaway bill on bankruptcy - helps streamline process & protect creditors*

WJD/tk