**Purpose:** The state-specific policy statements are an internal guidance document that is utilized by the GoWest Credit Union Association’s advocacy team. The consensus-based statements provide our team members with a set of general guidelines that allow us to respond to pressing issues that arise at a moment’s notice in the legislature, in discussions with elected officials, or with our regulators. Having general statements on important issues ensures the voice of our credit unions remains relevant and timely when pressing issues arise.

**Access to Affordable Housing.**
GoWest recognizes that access to housing is an important issue that impacts every consumer and encourages initiatives that allow credit unions to meet the diverse needs of our citizens. GoWest supports efforts to increase opportunities and access to affordable and workforce housing.

**Bankruptcy Reform.**
The Association recognizes that consumers should have bankruptcy available to them but opposes any bankruptcy system that allows persons who could pay off their debts to declare bankruptcy needlessly. The Association strongly supports efforts to encourage a needs-based bankruptcy system and establish a fairer balance between the rights of consumers and creditors. Furthermore, a meaningful bankruptcy philosophy must preserve the ability of credit unions and their members to reaffirm debts.

**Business Access to Financial Services.**
The Association supports eliminating federal and state barriers that prohibit or interfere with a credit union’s ability to serve legally registered businesses.

**Capital.**
Capital is an important tool that can be utilized for growth and managing balance sheets. The Association supports legislation and regulatory reforms that allow credit unions to access alternative sources of capital, as long as the inflow of alternative capital does not convey ownership.

**Consumer Disclosure Requirements.**
The Association supports disclosure requirements that educate the consumer and support the consumer’s right to receive accurate and timely information on the terms and conditions of products and services offered by financial institutions. However, the Association recognizes that the constant addition of disclosures inundates consumers with information making vital disclosures ineffective. Therefore, we oppose excessive disclosure requirements that fail to outweigh the benefits to the consumer.
**Consumer Choice.**
The Association supports a consumer's ability to choose the financial services institution that best aligns with their beliefs and values. As in other areas of our economy, there are for-profit and not-for-profit entities that serve the marketplace in a parallel manner but are differentiated in their business models, missions, and goals. We support and will defend a consumer's right to choose the best financial institution for each individual and their family.

**Cooperative Charter.**
The Association reaffirms its conviction that the cooperative charter model represents the best vehicle yet devised for serving the needs of consumers.

**Creditor Rights.**
The Association supports the robust protection of creditor lien rights, and laws that reinforce an equitable and efficient recovery process.

**Data Breach.**
The Association supports legislative efforts to reduce consumer and financial institution fraud losses through legislation designed to increase the penalties for financial fraud and identity theft and allocate additional enforcement resources toward the prosecution of these crimes. The Association supports legislation that would require negligent parties to reimburse financial institutions for costs associated with security or data breach notifications and costs stemming from the security breach. The Association also supports legislation that requires third-party information custodians to promptly notify the financial institution of security breaches, allowing the financial institution to mitigate consumer losses.

**Data Privacy and Security.**
The Association supports strong protection of the personal data of consumers along with clear guidelines and transparency on the use of that data.

**Digital Assets, Blockchain Technology, and the Future of Decentralized Finance.**
The Association supports efforts to develop digital asset platforms and technologies, from blockchain and cryptocurrencies to decentralized finance solutions; however, these developments should be done in a fair and equitable manner to ensure credit unions are included and have equal access to the advancements and opportunities that may be afforded to all investors or participants. Moreover, we would call for all fair and equitable treatment of historical financial institutions along with breakthrough FinTech companies to ensure regulatory balance and fairness is in place for all participants in a future decentralized financial services arena.

**Director Liability.**
The Association recognizes that the credit union system is made successful, in part, by credit union directors. As such, the Association supports legislation designed to protect Directors against potential liability.

**Dual Chartering.**
The Association strongly supports a regulatory system that allows dual chartering to thrive under the belief that dual chartering (the choice between a federal or a state charter) allows for the incubation of new powers and authorities and promotes credit union self-determination. The Association supports legislation and regulation that serves to enhance dual chartering throughout the United States.
Equal Access to Financial Services.
The Association supports equal financial access for all communities and promotes the integral benefits of the cooperative structure in serving all members of our communities.

Environment, Social, Governance (ESG) Efforts.
The Association believes a free-market approach should be taken when making any future statute or regulatory change to ESG reporting requirements. Credit unions should be able to function in a manner that will allow each institution to serve their members in the manner that best meets the mission of each individual credit union, and they should be able to determine who they do and do not do business with, based on their own business plans and strategies, without the government creating a new protected class of business.

Field of Membership.
- **Arizona** - The Association supports efforts to protect and enhance Arizona’s progressive field of membership environment, and community charters and stands ready to defend it against threats.
- **Federal** - The Association supports the expansion of field of membership for federally chartered credit unions under the Federal Credit Union Act and its implementing regulations, with the ultimate goal of deregulating field of membership.

Financial Education.
As member-owned financial cooperatives, credit unions are a means by which individuals can improve their lives. GoWest is dedicated to assisting consumers in achieving prosperity. The Association actively promotes increased financial education among all age groups and supports efforts to teach personal financial management skills that empower individuals to achieve success.

Interchange.
The interchange system is an integral free for service-based technology system that ensures a convenient and secure payment and settlement for credit card and debit card transactions. Credit unions use interchange fees to pay for fraud detection software, identity theft protection for impacted consumers, and to replace cards and PINs, as needed by their members. Any changes to the interchange system, especially on credit card purchases, will force financial institutions to take on unsecured debt without reasonable access to fees, which will further reduce access to financial services, and hurt the underserved or unbanked, especially in rural parts of the country.

Investment.
The Association supports the ability of credit unions to make investments in vehicles that best fit the needs and the risk tolerances of the credit union membership. Additionally, the Association will continue to actively promote the ability for credit unions to more widely invest in technology companies and organizations that directly benefit the credit union and its membership. Arbitrary barriers to investing in solutions-based companies, especially those born from the movement will not aid in our growth and strength for the future.

Legislative and Regulatory Philosophy.
The Association supports a statutory and regulatory framework that produces a diversity of options, powers, and authorities and will actively advocate for such, with a willingness to take on manageable risks, all the while supporting self-determination for individual institutions.
Non-Partisan Status.
The Association supports those individuals in public service that, in turn, support credit unions, their issues, and their philosophy, regardless of political party or affiliation.

Powers & Authorities.
Credit unions should have any power that—either exercised directly or through a CUSO—would benefit the credit union’s members.

Products & Services.
The Association opposes any restrictions that would unduly hinder a credit union’s authority to deliver credit, savings, or ancillary products that are available elsewhere in the financial services marketplace. We support efforts to identify and eliminate predatory financial products and services.

Public Funds Deposits.
We encourage governmental entities to work directly with credit unions and other financial institutions, within the State of Arizona, to obtain the best return possible on taxpayer dollars.

Regulatory Accountability, Transparency, and Accreditation.
- The Association supports a transparent, conservative, and accountable process for determining regulatory budgets, with the understanding that the costs of regulation are an expense to credit union members.
- The Association encourages the NCUA to adopt an overhead transfer fee process that gives credit unions meaningful input on the process for determining regulatory oversight costs associated with insurance functions, as opposed to costs associated with safety and soundness functions.
- The Association supports conservative financial services industry assessments that provide state and federal regulators with the resources necessary to attract the talent and expertise needed to adequately oversee the industry while calling on each regulatory body to look for ways to innovate, utilize technology, and to collaborate among their colleagues to reduce the burdens on Arizona credit unions' staff and balance sheets.
- The Association recognizes the importance of the state regulatory body maintaining national accreditation through the National Association of State Credit Union Supervisors (NASCUS). Accreditation of a state regulatory program not only signifies excellence as a regulator, but it also provides the certified expertise and greater ability for the state to push back against federal pre-emption when necessary.

Regulatory Environment.
The Association supports efforts to reduce the regulatory burden on the credit union industry and legislative or regulatory efforts aimed at streamlining and simplifying regulatory requirements without significantly affecting consumer interests.

Self-Determination.
The Association supports each credit union’s efforts to fulfill its own mission and supports legislation or regulation that facilitates credit union self-determination.

State Bank.
Given the robust network of credit unions and other financial services entities already serving the people, businesses, and government entities in Arizona, GoWest Credit Union Association does
not support the formation of a state, county or municipal bank that would provide competing services to those offered by the private sector.

**Systemic Risk.**
The Association recognizes that very large financial institutions may pose systemic risks to the U.S. economy. We believe that credit unions do not pose these same systemic risks because of their more restrictive regulatory environment, risk-averse nature, and their lack of aggregate size in relation to total U.S. financial institution assets. The Association opposes the application of legislative and regulatory requirements designed to address systemic risks on credit unions.

**Taxation.**
The Association supports efforts to maintain the credit union industry's historic tax exemption as not-for-profit, financial cooperatives. The Association is committed to educating policymakers and the public on the value that members receive because of the cooperative, not-for-profit tax exemption.

**Third Party Examination Authority.**
The Association recognizes that credit unions may rely on outside service providers for mission-critical functions and supports regulatory oversight concerning a credit union's due diligence efforts to appropriately select its service providers. The Association also recognizes that in order to maintain nationally recognized accreditation, Arizona regulators must have the ability to examine third-party service providers. We will closely monitor the use of this ability and would call on regulators to ensure they have the proper expertise and experience to carry out any and all reviews of system partners.