

# CREDIT UNIONS

## TALKING POINTS FOR Washington Credit Unions' Economic and Community Impact Reports

*Background: For nearly 100 years, Washingtonians have benefitted from the "People Helping People" philosophy embraced by not-for-profit, cooperative credit unions. Across the state, credit unions are serving their members, communities, and employees providing a positive economic and community-focused impact.*

*This impact has been documented in an independent analysis performed by renowned economists from ECONorthwest, and by a GoWest Credit Union Association analysis of credit unions' services as employers, financial institutions, and community partners.*

### Economic Impact

Credit unions not only serve their members but also help drive local economies, which correlates to a positive impact on Washington. Credit unions' not-for-profit, cooperative structure, local footprint, and community engagement drive a unique impact that benefits the economy and provides people with tangible financial services and benefits they might not otherwise have access to.

A 2022 independent analysis performed by renowned economists at ECONorthwest finds that the 96 credit unions serving Washington\* are essential to the state's economy and delivered a total economic impact of **\$7.5 billion**.

As not-for-profit cooperatives, credit unions reinvest their earnings into their member-owners, resulting in benefits such as lower interest rates on loans and better savings rates. And these tangible benefits help stimulate economies through members' increased ability to support local businesses when they buy products or pay for services.

- For example, the analysis found Washington's credit unions delivered **\$424 million** and when those benefits were spent on Main Street, the positive impact on the economy was **\$584 million**.

Credit union jobs offer additional economic benefits to the state. The analysis found that **12,000** Washington credit union jobs supported an additional 1.7 jobs in the economy –for a total of **32,000 jobs**, another factor in the economic multiplier effect.

- Credit unions are present in every community – either by providing consumers with 24/7 access to safe, convenient technology or in personal service offered in **575 branches\*** located across the state!

**Credit unions are a popular choice for consumers.** There are **4.5 million** credit union memberships in Washington. It makes sense for people to choose a credit union in Washington as their financial services partner! \*\*

*\* Number of credit unions with a branch in Washington as of December 31, 2021. Not all are headquartered in the state.*

*\*\*Accounts for some consumers who belong to more than one credit union, and to some consumers who belong to a credit union doing business in the state but not headquartered here.*

## Community Impact

In addition to the impressive economic contribution Washington's credit unions make, a GoWest Credit Union Association analysis of credit unions' community contributions demonstrates how credit unions lead the way in supporting local initiatives by being dynamically involved with their communities.

Whether through serving communities with financial wellness education or volunteering, employees of credit unions are dedicated to making Washington a great place to live. That study finds:

- Credit unions supported **2,300** non-profit organizations and volunteered **38,000 hours** serving the community.
- Washington consumers trust credit unions with their money. As of December 31, 2021, **\$25 billion** was on deposit in high-yield accounts\* and **\$213 million** was deposited in children's savings accounts.
- Credit union teams provided free financial education to **60,000 children and 37,000 adults**.
- Credit unions helped Washingtonians get where they needed to go, providing **\$15 billion** in auto loans.
- **\$361 million** in loans helped **4,800** small businesses to thrive on Main Street.
- And credit unions helped Washingtonians get the keys to the front door – providing **\$18 billion** in home loans, help for **2,000 first-time homebuyers**, and **17,600** refinanced mortgages.\*

*\*Lending data reflects the total portfolio of loans outstanding as of December 31, 2021. High-yield savings deposit balance is as of December 31, 2021, NCUA 4Q 2021 5300 call report data. Other data reflects results of a GoWest Credit Union Association survey of Washington credit unions' community services in the year 2021.*

## **Serving the Underserved**

Low-Income Designated Credit Unions (LICU), and Community Development Financial Institutions (CDFIs), are able to access funds that help them provide additional services in low-income and underserved areas, such as small business loans, affordable housing loans, and other support for their members' financial wellness.

- There are **46 LICUs** in Washington and **17 CDFIs** doing this important work.

**Credit Unions are Essential to Washington's Economies, Communities, and People!**