



**America's  
Credit Unions**

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99 M Street SE  
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April 15, 2024

The Honorable Tom Emmer  
Majority Whip  
U.S. House of Representatives  
Washington, DC 20515

**Re: Introduction of H.R. 5403, the CBDC Anti-Surveillance State Act**

Dear Whip Emmer:

On behalf of America's Credit Unions, I am writing in support of your legislation, the CBDC Anti-Surveillance State Act (H.R. 5403). America's Credit Unions is the voice of consumers' best option for financial services: credit unions. We advocate for policies that allow the industry to effectively meet the needs of their nearly 140 million members nationwide.

While a central bank digital currency (CBDC) might sound like it would be of massive benefit to consumers, it brings with it privacy concerns and many of the design features necessary to achieve certain benefits come with serious tradeoffs that could negatively impact credit unions and pose broader financial stability risks. In some cases, those tradeoffs are difficult to anticipate because underlying regulatory policies—such as what balance to strike in terms of protecting consumer privacy, or how to guard against retail deposit substitution—are not yet developed. If the Federal Reserve were to offer a CBDC directly to consumers, it would be in essence offering consumer accounts, which would constitute a massive expansion of its mission and threaten to erode the financial system. We expect that the net costs of a CBDC will exceed the benefits, and that administration of a CBDC will distract from the Federal Reserve's dual mandate of achieving both stable prices and maximum sustainable employment. As such, we support your legislation to bar the Federal Reserve from issuing a CBDC.

On behalf of America's Credit Unions and the 140 million credit union members, thank you for your leadership on this issue and considering our views.

Sincerely,

Jim Nussle, CUDE  
President & CEO