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Contact:

Mike Miller
Communications Manager
678-689-3538
mike.miller@lscu.coop



Alabama Credit Union Members Receive Nearly \$277 Million in Benefits During 2021

BIRMINGHAM, AL – Alabama credit unions continue to prove they provide more financial benefits to members than other financial institutions, according to data from the National Credit Union Administration (NCUA) and Credit Union National Association (CUNA). CUNA estimates that Alabama credit unions provided \$276.6 million in direct benefits to 2.3 million members during the one-year period between September 2020 and September 2021.

The [Alabama Membership Benefits Report](#) shows credit unions generally offer lower loan rates, higher savings rates, and fewer fees than other financial institutions. During that same one-year period from September 2020 to September 2021, Alabama credit unions saved their members a total of \$118 per member or \$248 per member household compared to what banks offer their customers. This is because credit unions return excess profits to their members, who are shareholders of the organization.

“Alabamians realize the benefits of being a credit union member,” said Patrick La Pine, CEO of the League of Southeastern Credit Unions & Affiliates (LSCU & Affiliates). “Credit unions across America provide several options including everyday checking and savings accounts, and even more personalized solutions that keep families out of debt. It’s all part of the credit union mission to improve financial well-being for all and advance the communities they serve.”

According to the benefits report, financing a \$25,000 new car for 60 months at an Alabama credit union will save members an average of \$282 per year in interest compared to what they would pay at a banking institution. Overall, Alabama credit union members received a benefit of \$157.7 million for all types of auto loans during the 2020-2021 annual period.

Alabama credit unions also pay members higher average dividends on savings, share draft checking, money markets, certificates, IRAs, and more. The average savings account interest rate for a credit union earns 0.20%, while a bank only earns 0.04%. Alabamians are earning \$41.9 million total in benefits from higher interest rates on savings products at credit unions.

“Our credit unions in Alabama continue to grow and provide the necessary tools for families to have financial freedom,” La Pine added. “Whether it’s lower rates on loans, credit cards, and mortgages, or higher returns on savings products, credit unions keep costs down by paying it forward to members, instead of sending the money to out-of-state shareholders.”

The most rewarding credit union products in Alabama come from used car loans and regular savings accounts, benefiting \$122.9 million in savings for the loans and earning \$19.9 million in interest when compared to banks. The CUNA report also states that Alabama gained 117,000 new credit union members between September 2020 and September 2021.

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ABOUT THE LEAGUE OF SOUTHEASTERN CREDIT UNIONS & AFFILIATES

The League of Southeastern Credit Unions & Affiliates represents 315 credit unions throughout Alabama, Florida, and Georgia and has a combined total of more than \$151 billion in assets and more than 10.4 million members. LSCU provides advocacy, compliance services, education and training, cooperative initiatives, and communications. For more information, visit www.lscu.coop. Follow LSCU on [LinkedIn](#), [Twitter](#), and [Facebook](#).