



A PLAN TO WIN

Credit Union Advocacy Strategy

Introduction:

Everyone agrees that the political and legislative strength is grassroots ability. Credit unions do not match banks and some other industries in terms of financial resources that can be expended or employees that can be brought into a fight. Therefore, we must rely on our ability to mobilize members, staff, and volunteers in taking messages to policy makers. It also means that we must carefully coordinate and maximize all efforts to compete with other industries in areas such as PAC fundraising.

It has been thirteen years since credit unions truly flexed our grassroots muscle with the passage of H.R. 1151, The Credit Union Membership Access Act. Since then, banks and their trade associations have fostered a political environment in which credit unions are chronically put on the defensive about our tax status. At the same time, the volume and effectiveness of “banker speak” in Washington, Tallahassee, and Montgomery is creating an environment in which banks are seen as being held in increased favor by policy makers.

Credit unions can and have continued to positively affect the legislative environment. In Washington, we have been successful at such things as defeating cramdown legislative, preventing legislation limiting overdraft protection, excluding credit unions from the Community Reinvestment Act, and making significant improvements to the Dodd Frank Reform Act. On the state level, we have successfully prevented damaging changes to foreclosure laws, prevented the imposition of additional legal liability for lenders, prevented raids of credit union regulatory funds, and attempts to impose new or greater taxes on credit unions. While we are able to prevent some damaging legislation, the ability to move our own agenda forward is not always as successful.

While lawmakers on the state and federal level like credit unions, the fact is they do not fear credit unions or automatically view us a legislative priority. While we still want lawmakers to appreciate the work done by credit unions, we must change the perception of credit unions to a group that cannot be overlooked.

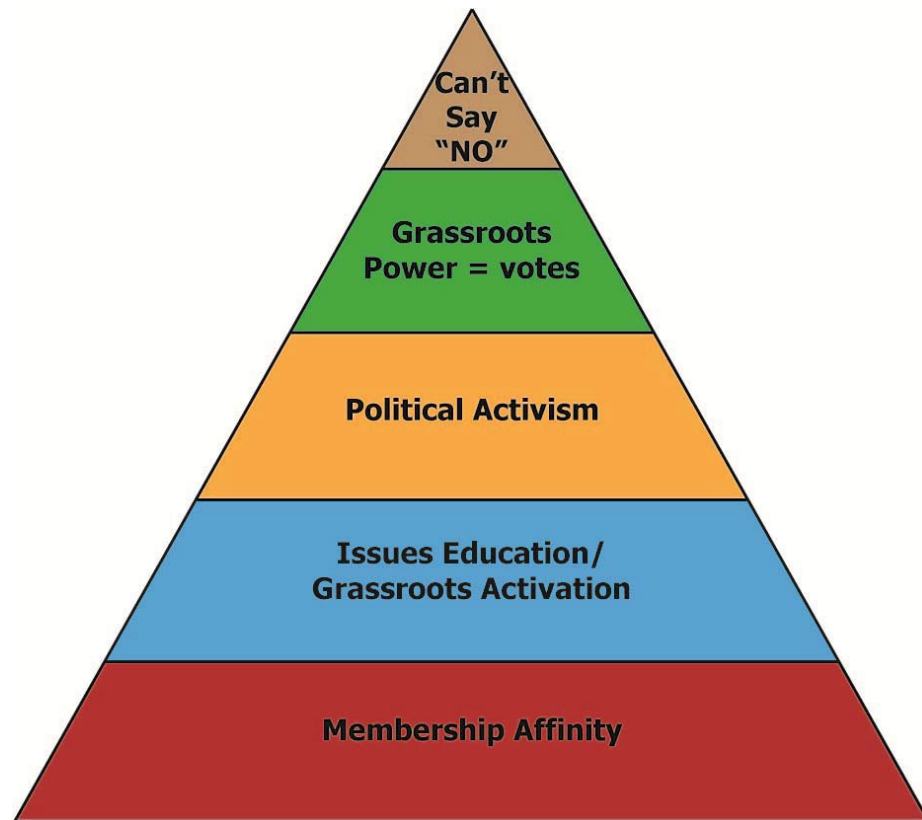
The purpose of “Plan to Win” is not the creation of a lot of new political programs, but rather lays out the steps that the LSCU and credit unions, along with Leagues across the country and CUNA will be taking in order to win. Much of what the LSCU and CUNA do in Washington and in the state capitols, we do well. Our PACs are growing, as is the amount of contributions we make to candidates. Our lobbying teams have significant expertise, contacts, and know-how to successfully represent credit unions. Nevertheless, what is needed is an organized political and grassroots effort, between the League and credit unions, in which everyone knows the parts they need to play, and how the parts work together to take the credit union movement to the next, higher, level of advocacy success.

Credit unions are perceived to have political power because of the significant number of consumers that they serve well. A successful advocacy strategy should have at its foundation a simple, common narrative that unites credit unions. It should recognize how

critically important the education and involvement of credit union members is to the overall success of the effort. And, it should be executed using a comprehensive approach that aims to saturate every member of both of our Congressional delegations, and every state lawmaker in Florida and Alabama with the credit union message delivered by a variety of sources.

PLAN to Win Objective:

A key area of focus is the “Hierarchy of Power”. The credit union community then becomes an entity to which policy makers cannot say “no”.



Can't Say "NO": This is ultimate goal in our relationship with elected officials: you can't be ignored and any attempt to oppose you comes with a political cost.

Grassroots Power = Votes: When elected officials equate grassroots to strength to votes, numbers matter.

Political Activism: There are many types of political activism: supporting a PAC or political activities fund; engaging members with mailings/calls to support pro-credit union candidates; providing volunteers for a campaign; fundraising directly for candidates. These activities go far beyond simply handing a candidate a check.

Issue Education / Grassroots Activation: There are two elements: educating members on our issues, then activating them to contact their lawmakers. There is no substitute for an informed employee and membership base: having informed advocates can be the difference to winning or losing a legislative argument.

Membership Affinity: Our potential political success is based at its core on the affinity that members have for their credit union. It is what separates us from traditional retail organizations (such as banks, retailers, etc.) that lack loyalty from their customer relationship.

Implementing The PLAN to Win:

Many of the components of PLAN to Win are not new to the League or to Credit Unions. However, the purpose is to refocus efforts among credit unions, and to lay out a roadmap of where the League will be concentrating our efforts, the order of priority for different programs, and how credit unions will need to be involved. Below are the major components of the PLAN, and with each is what credit unions will need to do to ensure success.

Grassroots:

The political strength of the credit union movement has historically been in our grassroots strength, that is, to show elected officials that credit unions are a vocal constituency that cannot be ignored. However, since HR 1151, the banks and other industries have followed our model better than we ourselves have. While they have increased their grassroots activity and effectiveness, the credit union grassroots muscle has weakened in comparison. Credit unions must revitalize our grassroots ability, and be willing to flex it in more day to day legislative issues, not simply reserving it for the HR 1151 or tax exemption level fight.

Grassroots Priorities for Credit Unions

- Run Project Zip Code
- Assign a Political Liaison
- Schedule to attend the CUNA GAC, State GACs and the September Hike the Hill.
- Respond to League initiated Action Alerts (send to staff and volunteers and ask them to respond)

✓ Commit to Attend Meetings With Elected Officials

The League will hold at least one Hike the Hill in Washington (in addition to the CUNA GAC) and one in-district meeting with each member of Congress.

- Participation among credit unions is critical. Each Hike the Hill needs every Congressional office well represented, which means multiple credit union representatives from that district in each meeting.
- In-District meetings will be planned throughout the year, and communicated to credit unions in the appropriate district. While these meetings may be held in the Congressional district offices, hosting a meeting at a credit union itself sends a stronger signal to lawmakers.

✓ **Run Project Zip Code Regularly**

Identify and maintain at least 90% of credit union members identified through Project Zip Code. Project Zip Code is the online program that allows the counts of credit union members and matches them by congressional district, state legislative district and county. It is invaluable that we be able to show lawmakers exactly how many of their constituents are members of credit union.

- All credit unions should install and run Project Zip Code (www.pzconline.com) by March 1, 2012 and a minimum of every two years thereafter. Updates need to be run on a regular basis to ensure numbers are up to date and accurate.

✓ **Identify one Grassroots and Political Action Coordinator for Your Credit Union**

- Every credit union should identify one staff person to serve as the primary point of contact for the League to coordinate grassroots activities such as Legislative and Regulatory Action Alerts, meetings with elected officials, and other activities such as Project Zip Code.

✓ **Respond to League Issued Action Alerts**

- For our grassroots efforts to successful be heard by lawmakers on specific, the League needs to achieve a 75% response rate to League issued action alerts on the federal or state level. This gives voice to what our legislative team is telling lawmakers, and shows them that credit unions are engaged. Most importantly, a strong and loud voice from credit unions back home shows lawmakers that there is real support for our issues. That is critical to securing meaningful support for our legislative initiatives and get them passed.

Political Action:

Political Action, and the strength of strong credit union Political Action Committees, is the 2nd leg of a successful advocacy program for credit unions. Simply put, the credit union movement must have the ability to engage monetarily in races on the state and federal level in a focused and unified way. This requires the commitment of credit unions to participate in fundraising programs for the state and federal PAC. We cannot ask a handful of credit unions to carry the responsibility for all. This will not allow the League's political program to grow as it must to have the capability to involve ourselves in political races, elect those who support us, defeat those who do not, and make credit unions a more important constituency for lawmakers.

Political Action Priorities for Credit Unions

- **Sign and Return Your Credit Union's Permission Agreement**
- **Know Your PAC Goal / Meet It**
- **Tell the League if You Are Willing to Communicate Political Issues to Your Members**
- **Get Involved Individually and Become a "Key Contact"**

✓ **Sign Your PAC Permission Agreement from the League**

Federal Election law requires that the League have a Permission Agreement on file at our office for each credit union with which we raise Federal PAC money. This permission agreement does not commit your credit union to any activity, and does not give us the

ability to contact your membership about PAC fundraising. Multiple year Permission agreements can be signed by a credit union, and new agreements are sent every year. The agreement is sent to every credit union at the beginning of the Year. A copy was included in your credit union's revised PAC Fundraising Guide that was sent to you on compact disc in January.

A copy of the permission agreement is attached that you can sign, scan, and send to [Blake Westbrook](#) (Alabama Credit Unions) or [Andy Gonzalez](#) (Florida Credit Unions)

✓ **Know Your PAC Fundraising Goal – Implement a Program to Meet It**

At the beginning of every year, the League sends every credit union their State and Federal PAC Fundraising Goal for the Year. These goals are developed by the League to ensure that we can fulfill our commitments on the state and national levels.

There are numerous programs available for credit unions to help them meet their goals, which are also sent to every credit union in the League's fundraising guide.

While State-chartered credit unions can make corporate contributions to our State PACs, federal PAC money must be individual contributions.

To ensure long-term success of our federal PAC fundraising program, we need to concentrate on regular sustained giving. Payroll deduction for credit union employees represents the best way to achieve that end, and League staff welcomes the opportunity to meet with you to fully explain the program, and show you how to launch it in your own credit union. More and more credit unions are reaching out to their employees for payroll deduction, and we need to continue to build on this success.

✓ **Tell the League If You Are Willing to Go To Your Membership About Political Issues**

Lawmakers know how to count. When we tell them how many credit union members live in their district (which we can do through your participation in Project Zip Code above), they immediately begin to think how that number can be used to their political advantage. They also know that it means that they run the risk of bad publicity in front of a lot of people if they are not with us on important issues. **This only works if we are willing to communicate political and legislative issues with individual credit union members.**

The League produces lawmaker scorecards showing whether individual lawmakers are with us on individual issues. During election years, we conduct candidate surveys on issues of importance to credit unions and produce a Voter Guide that can be distributed to you membership.

The ability to create public accountability regarding credit union issues through direct communication to our millions of members is something that few other industries can or will do. It is a strength we must be willing to take advantage of.

✓ **Become a Key Contact and Get Involved Individually**

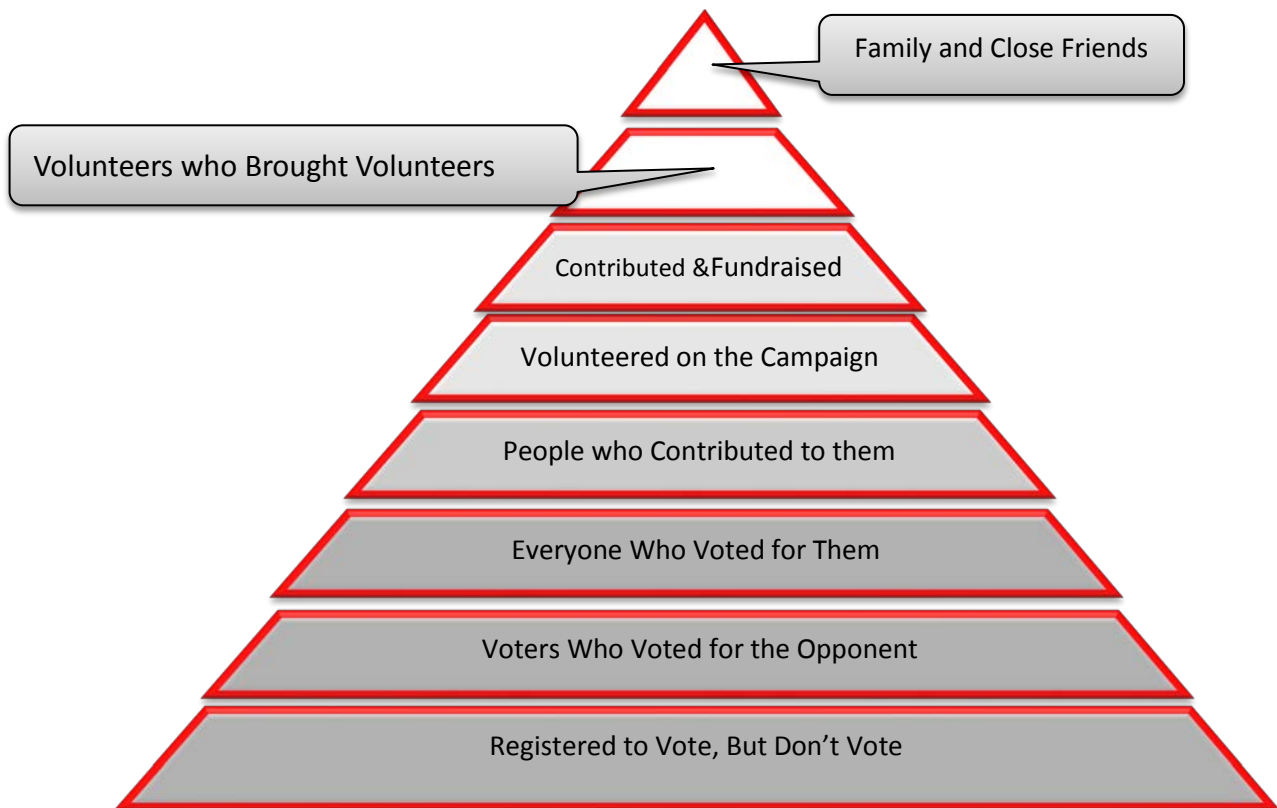
There are thousands of industries, advocacy groups, lobbyists, and political operatives all vying for attention from lawmakers and candidates. All make contact at some level, most contribute to the campaign. The industries and groups that truly distinguish themselves and become of key importance to a lawmaker are the ones that have the developed relationship.

There are multiple levels of the “Sphere of Influence” that individuals may have with lawmakers. It ranges from the bottom, those who don’t even vote, to the top level which is comprised of the lawmakers personal inner-circle; his family and personal friends.

Within your credit union, you, someone on your staff or your Board of Directors, you may already have someone who has a personal relationship. But more likely this is a relationship that will need to be built.

There are multiple ways for you or other people within your credit union to get involved, and climb the pyramid to higher levels of influence with lawmakers:

- Contribute personally to candidates who support credit unions;
- Deliver PAC checks on behalf of the League when asked, or accompany League staff when we attend a fundraiser for a supportive candidate.
- Volunteer your time with the campaign. Take other people with you when you go. Make sure they know you are with credit unions;
- Help identify other contributors and raise additional money for the campaign
- Host events for the candidate.



It is critical that these activities be done in coordination with the League. We do not want to find ourselves in a situation where the League is supporting one candidate based on their record with our industry, while individuals are supporting another candidate in the name of credit unions. Communication and coordination between those willing to act as key contacts and the League will be critical.

Communications:

As in sales or member service, good communications lies at the heart of politics and legislation. As discussed already, moving the needle legislatively requires that credit unions be willing to communicate political and legislative issues with members and the general public. Not only must lawmakers and candidates know and respect the ability of communicate specific political issues to their members, but they must see credit unions as a vibrant part of the public square and see the positive effect that credit unions have on their constituents and their communities. The goal of the communications part of the PLAN is to (1) Inform members and the public at large about issues important to credit unions; (2) engage them to act and give them the tools to do so; and (3) ensure that credit unions are seen in the best possible light.

Communication Priorities for Credit

Unions

- **Regular Communication on issues and advocacy**
- **Engage in Social Media, and make political and legislative issues part of it**
- **Find Earned Media Opportunities**
- **Identify positive stories about your credit union and share them with the League**

✓Regular Communications on Issues and Advocacy

As already discussed, letting your members know about important legislative and political issues affecting credit unions is a critical step in engaging the grassroots power of the credit union movement. Communicating to them what candidates support their rights as credit union members, what pending legislative issues affect your ability to serve them, and how they can be involved in supporting their credit union are important.

The League's role is to keep up with all of this, and provide timely and relevant information to you so that you can disseminate it to your members

✓Engage in Social Media

Communicating legislative and political issues has never been easier thanks to the emergence and acceptance of social media such as Facebook and Twitter. While direct communication such as mailers and newsletter articles is still an important way to communicate our message, credit unions should also utilize social media to communicate political and legislative issues. This also gives credit unions the ability to instantly direct motivated members to ways to take action, such as the League's VOCUS Grassroots system.

✓Find Earned Media Opportunities

In the wake of the financial melt-down of 2008 and beyond, and the heightened reputation of credit unions as the good actors throughout the problem, more and more reporters are looking to credit unions. Big public events like Bank Transfer day have only increased our visibility in the eyes of the general public and reporters. General media outlets are increasingly looking to credit unions as part of their reporting on financial issues.

The League's Communications Department will work with credit unions in working with reporters to get the credit union side of a story, placing letters to the editor, or providing basic information about credit unions as it relates to League initiated stories.

✓ Identify Positive Stories About Your Credit Union

Credit unions do great work providing honest and fair financial services for over 6 million people in Florida and Alabama. You may just think that some of these “good news” stories are just the way credit unions operate, and that is true, but many consumers and lawmakers don’t know about these great illustrations about how credit unions really are different from for-profit banks. When you see a positive story coming from your credit union, share it with the [League Communications Department](#) so that we can get it out to lawmakers and the media. Some examples of such stories are declaring dividends at the end of the year for your members; being part of a community outreach effort such as Habitat for Humanity or charitable fundraising; helping a member get out from under a payday lending debt cycle; reaching out to an underserved area or providing financial literacy training to groups.

Highlighting credit unions as part of the community in ways other industries might not, helps to set us apart, and it is important that this difference be known by members, the general public, and lawmakers.

CONCLUSION

If credit unions are going to perfect meaningful change on the federal and state legislative level, and continue to improve our charters to meet the needs of members down the road, it is critical that we have a strong political grassroots system in place. Nobody can assume that someone else will do it. All stake-holders in the credit union community must get involved. While not everyone will be able to do everything, everyone must do something. HR 1151 showed us what credit unions can do with our grassroots power. But that was 15 years ago. The political and legislative landscape changed significantly and the way groups such as our go about competing in an increasingly crowded legislative and political field must change too. In the day of instant global communications, we are still depending on the old model of sending a postcard to your Congressman. In a day of multi-million dollar PACs and billion dollar Presidential campaigns, we are still raising political money from a dedicated but small group of donors. Simply put, credit union grassroots and political advocacy must move to the next level if we are to compete with groups as strong, well-organized and well-funded as the banks, the retailers, and the emerging competitors like Wal Mart.

The League Governmental Affairs staff looks forward to the chance to sit down with you about how you and your credit union can be part of taking our industry to the next level.

