

1 The Business Committee of the Thirty-first General Synod has recommended this proposed
2 resolution be sent directly to the United Church of Christ Board of Directors.

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4 **RESOLUTION OF SUPPORT FOR ESTABLISHING RELATIONSHIPS BETWEEN**
5 **UNITED CHURCH OF CHRIST SETTINGS**
6 **AND COMMUNITY DEVELOPMENT FEDERAL CREDIT UNIONS**

7
8 **A Prudential Resolution**

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10 **Submitted by: Chesapeake Association (Central Atlantic Conference)**

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13 **Summary:** In employing biblical-theological reasoning, building upon certain General Synod
14 resolutions, and taking into account the basic socio-economic realities and structural financial
15 institutions of our communities, this Resolution calls upon the various settings of the United
16 Church of Christ conscientiously to explore establishing relationships with community
17 development federal credit unions.

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20 **Biblical, Theological, and Historical Grounding:**

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22 The United Church of Christ is a denomination of the poor and rich, the employed and
23 unemployed. It is a church of people with large financial endowments as well as people who are
24 left without food two days before payday. It is a church of people carrying platinum credit cards
25 and people who use check cashing services at corner convenience stores. It is a church of
26 widows who give their last two copper coins to their place of worship, yet also of people who
27 just as quietly give fortunes. It strives to be a Body of Christ in which “all may be one” (John
28 17:21). It is a church that heeds St. Paul’s admonition to the Corinthians, “Those who do not
29 share their bread with the needy are unworthy to receive the Lord’s Supper themselves” (1 Cor.
30 11:17-22). In developing financial relationships with community development federal credit
31 unions (CDCUs), the various settings of the United Church of Christ will share the bread of their
32 collective labor and the fruit of their monetary resources with communities intentionally served
33 by CDCUs and therefore those most in need of financial resources. In so doing, UCC settings
34 will join the financial results of their work with direct community development and
35 empowerment actions in areas plagued by economic poverty, illiteracy, and injustice.

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37 Jesus decries the stumbling blocks in our world (Matthew 18:7). Our banking institutions have
38 largely become stumbling blocks to good living for our poorest citizens. Many traditional banks
39 are unlikely to have the time or the mission to want to work with people in struggling financial
40 situations. This leaves our poorest neighbors facing prohibitively expensive alternative financial
41 means to meet their daily needs. As the writer James Baldwin noted, “Anyone who has ever
42 struggled with poverty knows how extremely expensive it is to be poor.”¹ The cost of living is
43 most difficult for those who are in areas of food and financial “deserts” in the middle of urban
44 cities, abandoned by all mechanisms of commerce, where services as basic as check cashing and
45 bill paying come with exorbitant costs that quickly eat away low-income paychecks. Payday
46 lenders extract usurious fees. The few who use banking services often fall prey to banking fees

47 that serve as barriers, including low-balance fees, service fees, check cashing fees, as well as to
48 loans that either are unavailable because of credit history or come with dangerously high fees.

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50 A federally chartered and government-insured CDCU is an opportunity to redeem these
51 economic injustices and reveal “the kingdom of heaven among us” (Luke 17:21). A CDCU
52 positions itself in communities that are most distressed, bringing needed services to those who
53 can most benefit from them. Similar to banks, CDCUs make their income from providing loan
54 services. Unlike banks, however, CDCUs operate at a low overhead so that they can intentionally
55 provide fair and reasonable loan services, including mortgages, small-amount loans, and
56 automobile loans, to low income households and to people with poor credit histories. By
57 designating as a “community development” credit union, they focus on developing communities
58 through financially empowering households, including those that have never benefited from
59 banking services, through the provision of fair and reasonable financial services as well as
60 educational products that help households take control of their financial future. CDCUs are
61 dedicated to improving communities through financial empowerment and education.

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63 UCC settings can help CDCUs achieve their goals. Instead of money becoming an idol and a
64 means unto itself (Matthew 6:24), UCC assets held by CDCUs can be used to create
65 relationships that heal the injustices and bridge the divides money historically has helped create.
66 UCC settings using CDCU financial services ensure that financial resources are invested locally.
67 No CDCU assets go toward the maintenance of systemic inequality in risky global stock market
68 speculation (a practice that characterizes many of our leading banks), nor are assets invested in
69 morally and ethically questionable companies and practices. The assets of a credit union can *only*
70 be reinvested through direct loans to its members. Furthermore, UCC business accounts benefit
71 CDCUs because the CDCUs provide banking and loan services to an organization that has a
72 reasonably sound financial basis and has established goodwill in the community. Members of
73 UCC congregations who use CDCU financial services can also further the mission of their
74 CDCUs through the use of their services and, through volunteering with their CDCUs, may help
75 expand that mission. Indeed, unlike banks, many CDCUs rely on volunteer efforts to assist in
76 expanding their mission to their communities.

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78 In sum, our partnership with a community development credit union is not an act of charity: it is
79 a tangible way to redeem systemic economic injustice, making it a prophetic act of community
80 empowerment.

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82 Partnership with a CDCU is also a natural progression of UCC General Synod resolutions:

83 **-Putting Our Money Where Our Values Are: Evaluating Church Financial**
84 **Relationships**, GS XXVIII, 2011. A resolution submitted by the Central Atlantic Conference, it
85 calls on all settings of the UCC to examine faithfully the activities of financial institutions with
86 whom they have relationships.

87 **-Ministering to Those Struggling and Suffering in The Troubled Economy: A**
88 **Resolution of Witness**, GS XXVII, 2009. A resolution submitted by the Michigan Conference at
89 the height of the recent economic crisis, it calls upon UCC settings to seek ways to create just
90 economic initiatives for the poor and suffering.

91 **-A Faithful Response: Calling for a More Just, Humane Direction for Economic**
92 **Globalization**, GS XXIV, 2003. “Christian faith asserts that the purpose of all economic activity

93 is not an ever-expanding economy and the greater availability of goods and services. Rather, our
94 faith points us toward a different end: wholeness for all God’s creation, including the people,
95 animals, plants, and the environment in which God intends for all to flourish. In this value
96 system, basic material resources—sufficient and nutritious food to eat, safe water to drink,
97 adequate housing, and access to education and health care—contribute fundamentally to
98 wholeness and must be the primary goal of economic activity. Moreover, faith compels a system
99 of governance where all have voice and respect, physical safety, economic security, and the
100 ability to contribute to society through dignified and honored work. Our faith champions these
101 goals of economic development.”

102 **-Christian Faith: Economic Life and Justice**, GS XVIII Pronouncement, 1989. This
103 resolution affirms "that the struggle to achieve economic justice for all of God’s people is an
104 imperative of the Christian faith, a confession that we have done too little to correct the
105 economic injustices of our nation and the world ... [and] a statement of our commitment to
106 transform the structures of church and society by working for economic justice.”

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109 **The Text of the Resolution:**

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111 **WHEREAS**, God has called us to seek justice, care for the poor, and love our neighbor;

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113 **WHEREAS**, the United Church of Christ has demonstrated a historic arc toward the creation of
114 institutions that alleviate the causes of economic injustice;

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116 **WHEREAS**, local churches and ministries of the United Church of Christ, including the
117 Chesapeake Association, have identified an interest in their own churches, ministries, and
118 communities for the services of a community development credit union;

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120 **WHEREAS**, UCC churches, Associations, Conferences, and ministries that have identified an
121 economic justice need in the communities which they serve, such as the need for financial
122 services to the historically underbanked or unbanked, as well as to victims of extortionate
123 alternative financial-service industry models such as payday lenders, and other areas, are
124 encouraged either to become member institutions of a federally chartered community
125 development credit union, thus ensuring that their financial assets are being used to help address
126 economic justice issues, or to expand their already existing connections with community
127 development credit unions to further credit union economic justice initiatives;

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129 **WHEREAS**, the current working relationship between the Chesapeake Association and a
130 community development credit union serves as an example that can inspire and be used by UCC
131 settings in communities nationwide;

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133 **WHEREAS**, recognizing that UCC members, staff, and clergy are sometimes called by the
134 Spirit to different locations and could benefit from a nationwide network of community
135 development credit unions with already-established relationships with UCC settings that connect
136 them to financial services rooted in their new community as well as share similar justice-minded
137 values; and

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139 **WHEREAS**, ecumenical partners have expressed an interest in joining in this effort;

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141 **THEREFORE, BE IT RESOLVED, that the Thirty-First General Synod of the United**
142 **Church of Christ:**

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144 **CALLS** for each setting of the United Church of Christ to explore establishing a relationship
145 with a federally chartered community development credit union that faithfully seeks to serve
146 those not only in our churches but also in areas of most urgent economic need in our
147 communities;

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149 **URGES** all settings of the United Church of Christ to participate in the promotion and expansion
150 of community development credit unions that develop financial relationships with settings in the
151 United Church of Christ; and

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153 **ASKS** the national setting of the United Church of Christ to explore a community development
154 credit union relationship that can serve UCC settings nationwide that would otherwise have no
155 access to a community development credit union.

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158 **Funding:**

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160 The funding for the implementation of the Resolution will be made in accordance with the
161 overall mandates of the affected agencies and the funds available.

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164 **Implementation:**

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166 The Collegium of Officers, in consultation with appropriate ministries or other entities within the
167 United Church of Christ, will determine the implementing body.

ⁱ James Baldwin, "Fifth Avenue, Uptown: A Letter from Harlem" in *Esquire* (July 1960); republished in *Nobody Knows My Name: More Notes of a Native Son* (1961)