

Support Community Development Financial Institutions (CDFIs) Fund in FY 2019

Deadline: COB Thursday, March 15

***Current Cosigners (FY19):** Carolyn Maloney, Don Young, Lee, McGovern, Beatty, Bonamici, Brown, Castor, Crist, Davis, DeFazio, Delaney, Hastings, Lujan Grisham, Lynch, Meeks, Norton, Panetta, Sablan, Schakowsky, Speier, Vargas, Yarmuth (updated last on 3/6/18)*

***Previous Cosigners (FY18):** Adams, Beatty, Beyer, Bonamici, Brady, Brown, Butterfield, Carbajal, Cardenas, Carson, Castor, Chu, Cicilline, Clarke, Clay, Cohen, Conyers, Costa, Crist, Cummings, Davis, DeFazio, Delaney, Ellison, Engel, Eshoo, Fudge, Gonzalez, Green, Grijalva, Hanabusa, Hastings, Heck, Higgins, Huffman, Jackson Lee, Jeffries, Khanna, Kildee, Kind, Lee, Lofgren, Lujan, Lujan Grisham, Lynch, Carolyn Maloney, Matsui, McGovern, Meeks, Moore, Murphy, Napolitano, Norton, O'Hallaran, Pallone, Panetta, Pascrell, Payne, Peterson, Pingree, Pocan, Raskin, Richmond, Roybal-Allard, Sarbanes, Schakowsky, Scott, Speier, Tipton, Vargas, Velazquez, Wasserman Schultz, Waters, Yarmuth, Don Young*

Dear Colleague,

Please join us in sending a letter to the Financial Services Appropriations Subcommittee requesting no less than **\$248 million for the Community Development Financial Institutions (CDFI) Fund for Fiscal Year 2019**. This is the same funding level that was approved in Fiscal Year 2017.

The CDFI Fund's mission is to expand the capacity of CDFIs to provide credit, capital, and financial services to underserved populations and communities across the country. Housed within the Department of the Treasury, the CDFI Fund spurs investments in local and often underserved communities in rural, urban and Native areas by fostering the creation and expansion of CDFIs, private sector financial institutions that specialize in providing affordable credit, creating jobs, and revitalizing neighborhoods.

Funding appropriated to the CDFI Fund supports three CDFI Grant Programs: Financial Assistance (FA) and Technical Assistance (TA) Grants, the Native American CDFI Assistance (NACA) Program, and the Bank Enterprise Award (BEA) Program. The CDFI Fund is also responsible for administering community development programs like the New Markets Tax Credit (NMTC) Program.

We hope you will join us in supporting funding for the CDFI Fund at no less than \$248 million in FY19. If you would like to sign the letter or have any questions, please have your staff contact Lucas Siegmund with Rep. Maloney at 5-7944 (Lucas.Siegmund@mail.house.gov). **The deadline to sign is COB Thursday, March 15**. As this is a programmatic request, Members are required to submit documentation online with the House Financial Services Appropriations Subcommittee.

Sincerely,

Carolyn B. Maloney

Don Young

Barbara Lee

Member of Congress

Member of Congress

Member of Congress

March XX, 2018

The Honorable Rodney Frelinghuysen
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Nita Lowey
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Tom Graves
Chairman
House Appropriations Committee
Subcommittee on Financial Services
Washington, DC 20515

The Honorable Mike Quigley
Ranking Member
House Appropriations Committee
Subcommittee on Financial Services
Washington, DC 20515

Dear Chairman Frelinghuysen, Ranking Member Lowey, Chairman Graves, and Ranking Member Quigley:

As you begin work on the Fiscal Year 2019 Financial Services Appropriations bill, we respectfully request that you provide no less than \$248 million in funding for the Community Development Financial Institutions Fund. This is the same funding level that was approved in Fiscal Year 2017.

As you know, the CDFI Fund's mission is to expand the capacity of CDFIs to provide credit, capital, and financial services to underserved populations and communities across the country. Housed within the Department of the Treasury, the CDFI Fund spurs investments in local and often underserved communities in rural, urban and Native areas by fostering the creation and expansion of CDFIs, private sector financial institutions that specialize in providing affordable credit, creating jobs, and revitalizing neighborhoods. CDFIs fill a market gap left by insufficient lending from traditional financial institutions, such as commercial banks.

CDFI Fund Grant Programs Include: Financial Assistance (FA) awards to certified CDFIs and Technical Assistance (TA) grants to certified or emerging CDFIs; the Native American CDFI Assistance (NACA) Program aimed at increasing the number and capacity of CDFIs serving native communities; and the Bank Enterprise Award (BEA) Program providing monetary awards to FDIC-insured banks that invest in low-income communities and/or in CDFIs.

CDFI Fund grants are awarded competitively to the organizations that best demonstrate how they will partner with their communities to address their economic development needs. Through its administration of these competitive grant programs the CDFI Fund has not only invested directly

in local communities, but has also attracted billions of dollars in additional private-sector investments. Since its inception, the CDFI Fund has awarded more than \$2.8 billion to CDFIs. In FY17 alone the CDFI Fund extended over 120,000 loans and investments that leveraged more than \$5 billion to help low-income rural, urban and Native communities. This investment in FY17 helped finance 12,000 small businesses, 28,000 affordable housing units, and provided loans to over 87,000 individual consumers. Of these loans, 29 percent were awarded to businesses that primarily serve rural markets. Each year CDFI awardees create approximately 65,000 jobs in struggling communities across the country.

The CDFI Fund is also responsible for administering the New Markets Tax Credit Program, which provides tax credits to attract private investment to distressed communities. In FY17 nearly \$2.5 billion in loans and investments were made possible under the New Markets Tax Credit Program, with over 77 percent of the loans and investments made in Severely Distressed Communities. This critical financing generated \$8 of private investment for every \$1 of federal funding, created over 8 million square feet of manufacturing, office and retail space, and generated 23,000 construction and full-time jobs at nearly 500 businesses.

Access to affordable credit is a pressing issue in many underserved rural, urban and Native communities. It is critical that we continue to make the necessary investments in these struggling communities to get people back to work, to empower local communities to develop their economies, and to provide financial services to consumers without access to affordable credit. The CDFI Fund is exemplary of that effort and we respectfully request that you ensure the CDFI Fund continues to receive at least the same funding level the House approved in FY17. Thank you for your consideration of this request.

Sincerely,

Carolyn B. Maloney
Member of Congress

Don Young
Member of Congress

Barbara Lee
Member of Congress