**Support the Community Development Financial Institutions (CDFI) Fund in FY24**

**Deadline: Thursday, March 16, 2023**

Dear Colleague,

Please join us in sending a letter to the Financial Services and General Government Appropriations Subcommittee requesting an appropriation of at least $341 million for the Community Development Financial Institutions (CDFI) Fund. This is the same amount requested in the Fiscal Year 2024 Treasury Department budget.  Access to affordable credit is a pressing issue in many underserved rural, urban, and Native American, Alaska Native, and Native Hawaiian communities.

The CDFI Fund provides resources for a range of innovative and effective programs through this appropriation that enable CDFIs to address the needs of their target markets. CDFI Fund programs include: Financial Assistance (FA) and Technical Assistance (TA) awards to small and emerging CDFIs,  established CDFIs, the Native American CDFI Assistance (NACA) Program aimed at increasing the number and capacity of CDFIs serving Native communities, and CDFIs serving persons with disabilities.  In addition, the program also includes the Healthy Food Financing Initiative (HFFI) to expand financing for healthy food options in underserved urban and rural communities; the Bank Enterprise Awards (BEA) program providing monetary awards to FDIC-insured banks that invest in low-income communities and CDFIs. The FY23 appropriations also provided funding for the Small Dollar Loan Program and Economic Mobility Corps.

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 and urban areas, and Native American, Alaska Native, and Native Hawaiian communities, by fostering the creation and expansion of CDFIs - private sector financial institutions that specialize in providing affordable credit, creating jobs, and revitalizing neighborhoods.

Sign-on to join us in supporting the funding level of $341 million for the CDFI Fund in FY24. If you have questions, please contact Erika Ninoyu with Rep. Barbara Lee at [Erika.Ninoyu@mail.house.gov](mailto:Erika.Ninoyu@mail.house.gov) or Valerie Foy with Rep. Don Bacon at [Valerie.Foy@mail.house.gov](mailto:Valerie.Foy@mail.house.gov).

Sincerely,

Barbara Lee, Member of Congress                             Don Bacon, Member of Congress

**Letter text:**

Dear Chairman Womack and Ranking Member Hoyer:

We write to request that the Financial Services and General Government Appropriations Act for Fiscal Year (FY) 2024 provide $341 million for the Community Development Financial Institutions (CDFI) Fund.  This is the same amount requested in the Fiscal Year 2024 Treasury Department budget.  Access to affordable credit remains a pressing issue in many underserved rural, urban, minority, and Native communities.

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.  Since its inception, the CDFI Fund has awarded more than $5.5 billion on a competitive basis to CDFIs, which leverages over $12 in capital from other sources for every dollar of CDFI Fund assistance.

The CDFI Fund provides resources for a range of innovative and effective programs through this appropriation that enable CDFIs to address the needs of their target markets. CDFI Fund programs include: Financial Assistance (FA) and Technical Assistance (TA) awards to small and emerging CDFIs,  established CDFIs, the Native American CDFI Assistance (NACA) Program aimed at increasing the number and capacity of CDFIs serving Native communities, and CDFIs serving persons with disabilities; Healthy Food Financing Initiative (HFFI) to expand financing for healthy food options in underserved urban and rural communities; the Bank Enterprise Awards (BEA) program providing monetary awards to FDIC-insured banks that invest in low-income communities and  CDFIs. In addition, the FY23 appropriations also provided funding for the Small Dollar Loan Program and Economic Mobility Corps.

The CDFI Fund also administers the New Market Tax Credit Program, the Capital Magnet Fund, and the CDFI Bond Guarantee Program, all designed to generate lending and investing in promoting revitalization in economically distressed communities.

According to the CDFI Fund, there are over 1380 certified CDFIs. Since 1994, the CDFI Fund has awarded $5.6 billion in total funding to CDFIs, which leverages over $12 in capital from other sources for every dollar of CDFI Fund assistance. In 2021, CDFI program awardees made over 1.4 million loans or investments totaling more than $53 billion. CDFIs also financed some 65,000 affordable housing units.

CDFIs and other mission lenders acted as ‘shock absorbers” for rural and urban communities suffering from the economic consequences of the pandemic. CDFIs provide a wide variety of financial services to support the recovery of underserved markets under siege from COVID-19. In addition to stabilizing businesses, CDFIs finance: initiatives to expand access to healthy food; health centers and hospitals; affordable housing; shelters; treatment centers; and other businesses and community facilities on the front lines of the pandemic.

We appreciate the important work that CDFIs do in our districts and states, financing and supporting new and growing businesses, delivering financial services to distressed urban neighborhoods and remote rural areas, and facilitating the development of strong, economically vibrant communities.

Sincerely,

Barbara Lee, Member of Congress Don Bacon, Member of Congress