

# United States Senate

WASHINGTON, DC 20510

May 24, 2017

The Honorable Shelley Moore Capito  
Chairman  
Subcommittee on Financial Services  
& General Government  
Senate Appropriations Committee  
The Capitol, S-131  
Washington, D.C. 20510

The Honorable Chris Coons  
Ranking Member  
Subcommittee on Financial Services  
& General Government  
Senate Appropriations Committee  
The Capitol, S-131  
Washington, D.C. 20510

Dear Chairman Capito and Ranking Member Coons:

We write to request that the Financial Services and General Government Appropriations Act for Fiscal Year (FY) 2018 provide at least \$248 million for the Community Development Financial Institutions Fund. This is the same funding level as FY 2017.

The Community Development Financial Institutions Fund (CDFI Fund) was established within the U.S. Department of Treasury in 1994 to promote community development in economically distressed urban and rural areas by investing in mission-driven financial institutions, known as community development financial institutions (CDFIs). By leveraging over \$12 in private capital to every \$1 in federal support, CDFIs are filling the yawning credit gap encountered in many communities, creating jobs improving housing and community facilities and creating economic opportunity.

There are now 1,049, including 74 Native CDFIs, working in low-wealth communities and low income populations across the country. This includes 545 loan funds, 294 credit unions, 199 depository institution holding companies, banks or thrifts, and 11 venture capital funds--all providing the flexible, patient capital and financial services that consumers, small businesses and communities need to grow and thrive. CDFIs serve urban and rural communities and reach market sectors that traditional financial institutions cannot and the ultimate goal of a CDFI is to transition their customers into the mainstream economy as bank customers, home owners and/or entrepreneurs.

CDFIs use these competitively awarded federal dollars to leverage, loan and invest in urban and rural communities across the country where they are creating jobs and strengthening local economies. In FY 2016 alone, CDFIs made over 39,000 loans or investments totaling over \$3.6 billion and financed more than 11,000 small businesses. The CDFI Fund also administers the New Market Tax Credit Program and the CDFI Bond Guarantee Program, both designed to generate lending and investing to promote community revitalization, business development, and job creation in economically distressed communities.

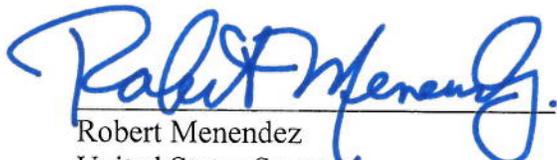
The CDFI Fund provides resources for a range of innovative and effective programs that enable CDFIs to address the needs of their target markets. CDFI Fund programs include: Financial Assistance (FA) and Technical Assistance (TA) awards to small and emerging CDFIs as well as

established CDFIs, the Native American CDFI Assistance (NACA) Program aimed at increasing the number and capacity of CDFIs serving Native communities; 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/or CDFIs and a new small dollar loan program.

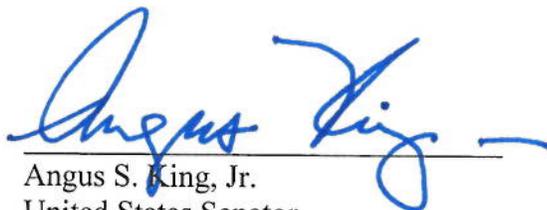
We appreciate the important work that CDFIs do in our home states financing new and growing businesses, delivering financial services to distressed urban neighborhoods and remote rural areas, and facilitating the development of strong economically vibrant communities. However, CDFIs need access to capital now more than ever. This is evidenced by the application demand, nearly 4 times the availability of resources.

We strongly urge you to continue supporting the work of CDFIs by including at least \$248 million for the CDFI Fund in the FY 2018 appropriations bill.

Sincerely,

  
Robert Menendez  
United States Senator

  
Robert P. Casey, Jr.  
United States Senator

  
Angus S. King, Jr.  
United States Senator

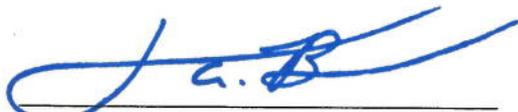
  
Tammy Baldwin  
United States Senator

  
Jeanne Shaheen  
United States Senator

  
Mazie K. Hirono  
United States Senator

  
Debbie Stabenow  
United States Senator

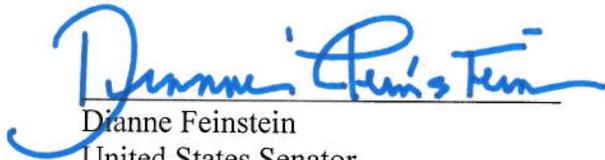
  
Al Franken  
United States Senator



Cory A. Booker  
United States Senator



Sherrod Brown  
United States Senator



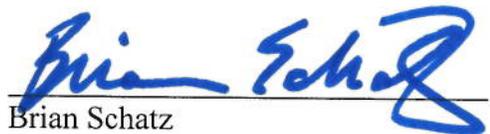
Dianne Feinstein  
United States Senator



Chris Van Hollen  
United States Senator



Amy Klobuchar  
United States Senator



Brian Schatz  
United States Senator



Benjamin L. Cardin  
United States Senator



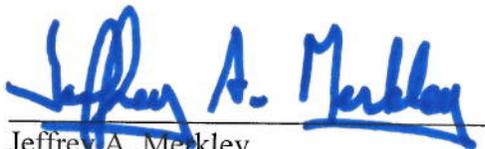
Richard J. Durbin  
United States Senator



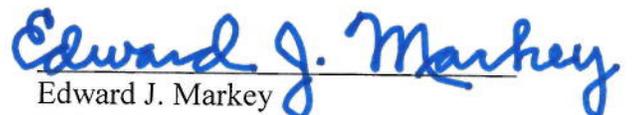
Richard Blumenthal  
United States Senator



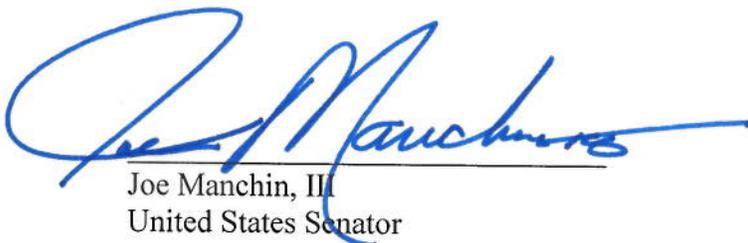
Kirsten Gillibrand  
United States Senator



Jeffrey A. Merkley  
United States Senator



Edward J. Markey  
United States Senator



Joe Manchin, III  
United States Senator



Tammy Duckworth  
United States Senator



---

Jon Tester  
United States Senator



---

Maria Cantwell  
United States Senator



---

Elizabeth Warren  
United States Senator



---

Bernard Sanders  
United States Senator



---

Martin Heinrich  
United States Senator



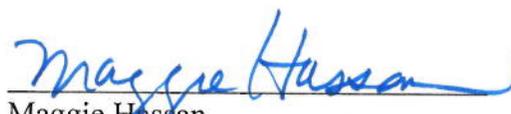
---

Christopher S. Murphy  
United States Senator



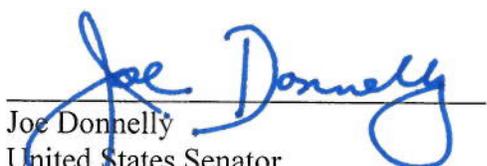
---

Jack Reed  
United States Senator



---

Maggie Hassan  
United States Senator



---

Joe Donnelly  
United States Senator



---

Ron Wyden  
United States Senator



---

Heidi Heitkamp  
United States Senator



---

Gary C. Peters  
United States Senator



Catherine Cortez Masto  
United States Senator