

**United States Senate**  
WASHINGTON, DC 20510-3005

March 31, 2023

The Honorable Chris Van Hollen  
Chairman  
Subcommittee on Financial Services  
& General Government  
Senate Appropriations Committee  
The Capitol, S-131  
Washington, D.C. 20510

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

Dear Chairman Van Hollen and Ranking Member Hagerty:

We write in support of at least \$341 million as proposed by the Fiscal Year 2024 Department of the Treasury Budget for the Community Development Financial Institutions Fund (CDFI Fund). The CDFI Fund administers innovative and effective programs that enable Community Development Financial Institutions (CDFIs) to address the needs of underserved urban, rural, and Native communities that traditional financial institutions cannot.

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, and the Bank Enterprise Awards (BEA) program providing monetary awards to FDIC-insured banks that invest in low-income communities and CDFIs. CDFIs use these awards to provide a range of financial products and services to revitalize communities and increase economic opportunity. CDFI programs also include 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, designed to generate lending and investing in promoting community revitalization, business development, affordable housing, and job creation in economically distressed communities.

There are over 1380 certified CDFIs<sup>1</sup>. Since 1994, the CDFI Fund has awarded \$5.6 billion in total funding to CDFIs, which leverage over \$12 in capital from other sources for every dollar of CDFI Fund assistance. According to the most recent CDFI Fund report, 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.

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<sup>1</sup> To be eligible for CDFI certification, an organization must be a non-governmental entity (except Tribal governmental entities); with a primary mission of promoting community development; that provides both financial and educational services to one or more defined low-income target markets; and is accountable to the target market it serves—number current as of 12/1/2021.

As the economy recovers, small businesses and entrepreneurs in disadvantaged communities will need the patient, flexible capital available through CDFIs. With CDFIs' demonstrated success, a robust appropriation would provide much-needed means and services to consumers and small businesses, especially in rural and urban low-income communities.

Communities will put those dollars to work, improving access to healthy food, financing affordable housing, building and repairing community facilities, expanding businesses, and improving opportunities for persons with disabilities.

For these reasons, we strongly urge you to continue supporting the work of CDFIs with an appropriation for the CDFI Fund of \$341 million for FY 2024

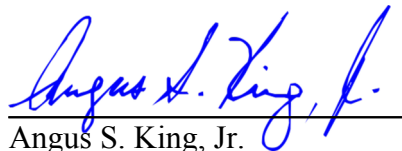
Sincerely,



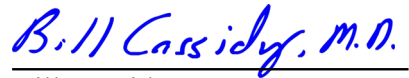
Robert Menendez  
United States Senator



M. Michael Rounds  
United States Senator



Angus S. King, Jr.  
United States Senator



Bill Cassidy, M.D.  
United States Senator



Michael F. Bennet  
United States Senator



Tammy Duckworth  
United States Senator



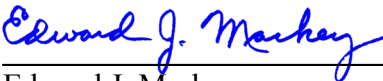
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Jack Reed  
United States Senator



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Christopher S. Murphy  
United States Senator



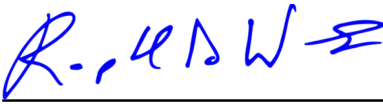
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Edward J. Markey  
United States Senator



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Mazie K. Hirono  
United States Senator



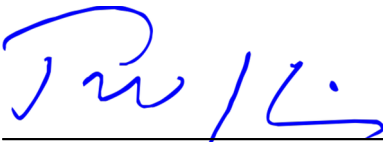
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Raphael Warnock  
United States Senator



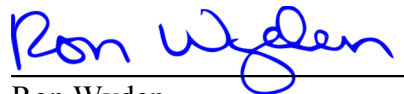
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Kirsten Gillibrand  
United States Senator




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Tim Kaine  
United States Senator



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Ron Wyden  
United States Senator



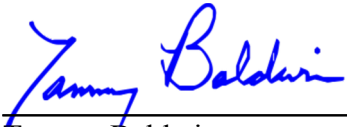
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Tina Smith  
United States Senator



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Cory A. Booker  
United States Senator



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Tammy Baldwin  
United States Senator



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Maria Cantwell  
United States Senator



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Benjamin L. Cardin  
United States Senator



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Thomas R. Carper  
United States Senator



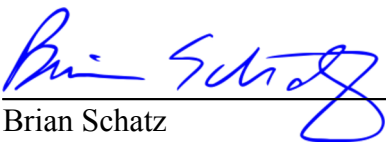
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Jeanne Shaheen  
United States Senator



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Gary C. Peters  
United States Senator



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Brian Schatz  
United States Senator



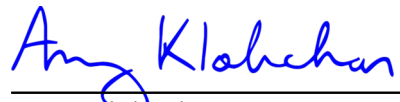
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Richard J. Durbin  
United States Senator



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Sheldon Whitehouse  
United States Senator



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Amy Klobuchar  
United States Senator



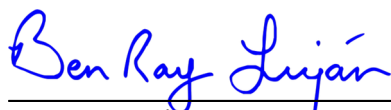
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Alex Padilla  
United States Senator



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Mark R. Warner  
United States Senator



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Ben Ray Lujan  
United States Senator



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Sherrod Brown  
United States Senator



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Richard Blumenthal  
United States Senator



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Catherine Cortez Masto  
United States Senator



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Christopher A. Coons  
United States Senator



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Jon Ossoff  
United States Senator



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John Fetterman  
United States Senator



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Peter Welch  
United States Senator



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John Hickenlooper  
United States Senator



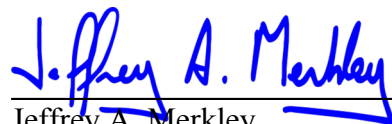
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Margaret Wood Hassan  
United States Senator



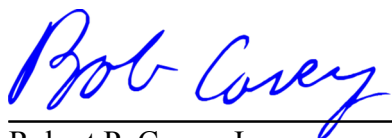
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Elizabeth Warren  
United States Senator



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Jeffrey A. Merkley  
United States Senator



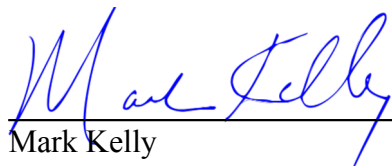
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Robert P. Casey, Jr.  
United States Senator



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Jacky Rosen  
United States Senator



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Mark Kelly  
United States Senator



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Debbie Stabenow  
United States Senator



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Bernard Sanders  
United States Senator



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Dianne Feinstein  
United States Senator



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Jon Tester  
United States Senator