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May 26, 2023

Marcia Sigal  
Acting Director, CDFI Fund  
U.S. Department of Treasury  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

Fatima Abbas  
Director, Office of Tribal and Native Affairs  
U.S. Department of Treasury  
1500 Pennsylvania Avenue NW  
Washington, D.C. 20220

CC: U.S. Treasurer Lynn Malerba, James Colombe

**Re: Request for Formal Listening Session with Native CDFI Network and Native CDFIs Regarding CDFI Fund's Process to Reform the CDFI Certification Application and Related Regulations**

Dear Acting Director Sigal and Director Abbas,

We hope this finds you well.

On behalf of the Native CDFI Network (NCN) and the 72 certified and emerging Native community development financial institutions (CDFIs) who are members of our organization, I am writing to formally **request the U.S. Department of the Treasury and CDFI Fund hold a formal listening session with Native CDFIs** regarding the CDFI Fund's proposed reforms to the CDFI Certification Application and related regulations **before those reforms are finalized so Native CDFIs' concerns can be directly heard and addressed.**

NCN and the Native CDFIs we represent and serve raised significant concerns during the public comment periods about the significant negative impacts and undue burdens the CDFI Fund's proposed reforms to the [CDFI Certification Application](#) and [related regulations](#) would have on the ability of Native CDFIs to achieve and retain Treasury certification. These concerns remain outstanding and to date we have received no clear assurance from Treasury or the CDFI Fund that they have been or will be addressed in the finalized reforms.

We understand and support the underlying impetus driving the CDFI Fund's reforms to CDFI Certification – rooting out the bad actors (among currently certified CDFIs or those angling for certification) that target Native and other low-wealth communities with bad products and ensuring they can no longer qualify as certified CDFIs. **It is imperative that we do not endure unintended repercussions arising from reforms that, despite good intentions, overlook the distinctive circumstances, challenges, needs, and priorities of Native CDFIs and the Native communities they diligently serve.**

The fact of the matter is certified Native CDFIs are *distinct* from other, non-Native certified CDFIs when it comes to the communities they serve, the complex needs of those communities, the glaring lack of access to affordable and non-predatory capital those communities have long experienced, the outside-of-the-box solutions Native CDFIs devise to meet the needs of those communities, and the unrivaled lengths we go to support our clients (through extensive Development Services, etc.) to ensure those solutions achieve their intended benefits. Congress and the Treasury/CDFI Fund have long recognized this distinction, treating certified Native CDFIs as separate from other, non-Native CDFIs on paper and in practice, most notably

through the establishment and administration of the Native American CDFI Assistance (NACA) Program, which for all intents and purposes is a Native/tribal set-aside.

A new CDFI Certification Application and related regulations that dismiss or inhibit the distinct nature and activities of Native CDFIs risks causing significant and potentially irreparable damage to their ability to achieve/retain Treasury certification and continue to serve Native communities in the ways they most urgently need. We are all for bringing finality to what has been a long-running initiative to strengthen the CDFI Certification process, but it is critical that the Treasury/CDFI Fund get it done right for Indian Country, not just get it done as quickly as possible.

We appreciate your consideration of this request for a formal listening session, and we welcome the opportunity to discuss it with you in further detail.

Sincerely,



Pete Upton  
CEO/Board Chair  
Native CDFI Network