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August 2, 2023

The Honorable Patty Murray, Chair  
U.S. Senate Appropriations Committee  
154 Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Kay Granger, Chairwoman  
U.S. House Appropriations Committee  
H-307 U.S. Capitol Building  
Washington, D.C. 20515

**Re: FY 2024 Programmatic Appropriations Request for CDFI Fund Programs**

Dear Chair Murray and Chairwoman Granger,

On behalf of the Native CDFI Network (NCN), the only national membership organization solely dedicated to serving and supporting Native community development financial institutions (CDFIs), we write to request your support for at least \$366.48 million for the CDFI Fund program in the fiscal year (FY) 2024 appropriations process, as well as a continuation of the CDFI Bond Guarantee Program with \$500 million in guarantee authority. This request is supported by the 38 co-signatory organizations listed at the bottom of this request letter.

The \$366.48 million request for the CDFI Fund is based on the \$341.48 million amount the CDFI Fund has requested for FY 2024, increased by \$25 million to accommodate a higher allocation of \$50 million (from the appropriated FY 2023 amount of \$25 million) for the Fund's Native American CDFI Assistance (NACA) program (see below for a brief synopsis of this justified increased allocation, which NCN requested in a [separate letter](#) to you in May 2023).

As the Opportunity Finance Network explains, economic opportunity is one cornerstone of a free and just nation, and it often starts with access to capital through a loan. Yet, millions of Americans cannot access traditional, fair financing because of discrimination or a lack of collateral. CDFIs are private sector financial institutions that invest, lend, and deliver responsible, affordable financial products and services to disinvested communities across the country. For more than 40 years, CDFIs have provided access to capital where it is needed most: CDFI customers are 83 percent low-income, 61 percent people of color, 47 percent women and 28 percent rural. Nationwide, there are more than 1,300 CDFIs certified by the US Treasury Department's CDFI Fund. Despite the recently enacted caps on spending, now is not the time to cut appropriations to the CDFI Fund. Communities are still recovering from the impact of the pandemic and need more investment, not less. Additionally, as interest rates continue to rise and regional banks pull back from offering credit, CDFIs are the ones to step in. The institutional-level capital from the CDFI Fund is essential to ensure CDFIs can meet the demand and keep capital affordable for the borrower. This investment will grow the economy by helping existing small businesses, provide start-up financing to entrepreneurs, and keep the capital flowing for housing development. The CDFI Fund's grant programs provide equity capital that is critical to the continued growth of the CDFI industry. According to the Treasury Department, investments made in CDFIs produce an eight-fold return, with each \$1 creating \$8 in private sector investments.<sup>1</sup>

Concerning Native CDFIs specifically, an increased allocation of \$50 million for the NACA Program for FY 2024 is justified based on the considerable unmet capital needs of Native CDFIs, as well as the significant return on investment that dollars provided to Native CDFIs produces in terms of economic benefits. The following data points are particularly instructive:

- The unmet capital needs of Native CDFIs for homeownership, small business, and consumer lending is significant and growing: For example, a 2022 NCN survey of 16 Native CDFIs (just one quarter of the country’s 64 Treasury-certified Native CDFIs) found their projected three-year unmet loan capital needs collectively totaled \$166 million.<sup>2</sup>
- For FY 2022, funding requests made by applicant Native CDFIs for NACA Base-Financial Assistance (FA) funding exceeded the amount awarded by the CDFI Fund by 49%. Meanwhile, funding requests made by applicant Native CDFIs for NACA Technical Assistance (TA) funding exceeded the amount awarded by the CDFI Fund by 15%.<sup>3</sup>

With 64 certified Native CDFIs and two dozen more “emerging” ones in Treasury’s certification pipeline, the Native CDFI industry is expanding rapidly to meet the growing needs of Indian Country. NACA program funding must keep pace with and support that growth.

In closing, we urge you to provide an appropriation of at least \$366.48 million for the CDFI Fund. We appreciate your consideration of this request, and we welcome the opportunity to discuss it with you in further detail.

Sincerely,

Pete Upton  
CEO/Board Chair  
Native CDFI Network

**Co-Signatory Organizations:**

Johnnie Earp  
Board Chair  
**Cherokee Nation Economic Development Trust Authority**

Cindy Logsdon  
Chief Executive Officer  
**Citizen Potawatomi Community Development Corporation**

Troy Thompson  
Owner  
**Emerald Arrow LLC**

Teresa Boardman  
Executive Director  
**Five Rivers Loan Fund, Inc.**

Lakota Vogel  
Executive Director  
**Four Bands Community Fund**

Jeff Gilbreath  
Executive Director  
**Hawaii Community Lending**

Laura Aguirre  
CEO  
**Hawaii First FCU**

Cristy Labanon  
Executive Director  
**Hawaiian Lending & Investments**

KipuKai Kualii  
Acting CEO  
**Homestead Community Development Corporation**

Yancey Red Corn  
CEO  
**Indigenous Nations Tribal Reserve (INTR)**

Shayna Ferguson  
Manager  
**Lakota Federal Credit Union**

Tawney Brunsch  
Executive Director  
**Lakota Funds**

Nancy Jordan  
Interim Executive Director  
**Lummi CDFI**

Colleen Steele  
Executive Director  
**Mazaska Owecaso Otipi Financial, Inc.**

Robby Deere  
Chief Executive Officer  
**Mvskoke Loan Fund**

Angie Main  
Executive Director  
**NACDC Financial Services, Inc.**

Cindy Mittlestadt  
Fund Manager  
**Native Edge Finance**

Pete Upton  
Executive Director  
**Native360 Loan Fund, Inc.**

Kimberly Pate  
Managing Director  
**NDN Fund**

Jonelle Yearout  
Executive Director  
**Nimiipuu Community Development Fund**

Dave Tovey  
Executive Director  
**Nixyáawii Community Financial Services**

Cindy Hendrickson  
Executive Director  
**Northern Shores Community Development**

Christopher Coburn  
CEO  
**PBM Lending (Place to Borrow Money) CDFI**

Charlene Johnson  
Executive Director  
**Plenty Doors Community Development Corporation**

Suzanne Anarde-Devenport  
Chief Executive Officer  
**Rural Community Assistance Corporation**

Jonathan Zurek  
Executive Director  
**Seneca Nation of Indians Economic Development Company**

Alana Peterson  
Executive Director  
**Spruce Root, Inc.**

Russell Seagle  
Executive Director  
**The Sequoyah Fund, Inc.**

Britney Hiseley  
Executive Director  
**The Tatanka Funds, Inc.**

Robin Danner  
CEO  
**TiLeaf Group**

Sheila D. Herrera  
Executive Director  
**Tiwa Lending Services**

Kitcki Carroll  
Executive Director  
**United South and Eastern Tribes Sovereignty Protection Fund**

Alicia Burns  
Executive Director  
**Westwater Financial, Inc.**

Julia Nelmark  
President and CEO  
**White Earth Investment Initiative**

Cheryl Cloud  
CEO  
**Wisconsin Native Loan Fund, Inc.**

Michael Silvas  
Governor  
**Ysleta del Sur Pueblo TCDC (Tigua Community Development Corporation)**

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<sup>1</sup> Treasury Secretary Janet Yellen (Native CDFI Network (NCN), *Native CDFIs: Stepping Up to Serve Indian Country Through the Pandemic and Beyond*, Native CDFI Network, July 2021, p. 1 (<https://nativecdfi.net/wp-content/uploads/2021/09/NCN-Pandemic-Report.pdf>).

<sup>2</sup> NCN, *NCN Market Demand Study*, New England Market Research, Inc., October 2022.

<sup>3</sup> For the FY 2022 funding round of the NACA Program, the CDFI Fund received Base-FA applications from 29 organizations that requested \$25.5 million in Base-FA awards. It awarded \$17.1 million to 19 of those 29 organizations ([https://www.cdfifund.gov/sites/cdfi/files/2023-02/2022\\_NACA\\_Award\\_Book.pdf](https://www.cdfifund.gov/sites/cdfi/files/2023-02/2022_NACA_Award_Book.pdf)). The CDFI Fund also received TA applications from 19 organizations requesting \$2.7 million in TA awards, and it awarded \$2.35 million (<https://www.cdfifund.gov/news/481>).