



NCN CEO Office
Native CDFI Network
2550 N. Diers Ave, Suite K
Grand Island, NE 68803

May 8, 2025

The Honorable Susan Collins, Chair
U.S. Senate Appropriations Committee
413 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Tom Cole, Chair
U.S. House Appropriations Committee
2207 Rayburn House Office Building
Washington, D.C. 20515

TO: Sofia.Deiro@mail.house.gov, zach.kensinger@mail.house.gov, steve_abbott@collins.senate.gov, katie_brown@collins.senate.gov

CC: cora.alvi@treasury.gov, alexandria.smith@treasury.gov, pravina.raghavan@treasury.gov, Nicholas_Larsen@warner.senate.gov, Connor_DiRusso@warner.senate.gov, Andrew_Gleaton@crapo.senate.gov, Thomas_Liepold@klobuchar.senate.gov, Riley_OLeary@daines.senate.gov, Caroline_Oakum@daines.senate.gov, Matthew_May@daines.senate.gov, Samantha_lucas@ossoff.senate.gov, Kanko_Zonou@ossoff.senate.gov, Hayes_Heredia@hydesmith.senate.gov, Zachary_Baum@reed.senate.gov, Zachary_Baum@reed.senate.gov, Christopher_Land@lummis.senate.gov, Omair_Taher@smith.senate.gov, Ben_Ellegn@smith.senate.gov, Seth_MacKinney@moran.senate.gov, Jack_Protzman@moran.senate.gov, Cassandra_Brzezinski@vanhollen.senate.gov, Miguel_Torres@vanhollen.senate.gov, Kathleen_Gayle@rounds.senate.gov, Adam_Finkel@warnock.senate.gov, Sebastian_Paez@wicker.senate.gov, Christopher_Sharer@peters.senate.gov, Isabelle_Zhan@peters.senate.gov, Nick_Molling@cassidy.senate.gov, Ron_Anderson@cassidy.senate.gov, Jeff_Schroeder@hickenlooper.senate.gov, Nathan_Anonick@ag.senate.gov, Cary_Shelton@boozman.senate.gov, Kossi_Anyinefa@schatz.senate.gov, Alex_Hanson@cotton.senate.gov, Madison_Moskowitz@wyden.senate.gov, Grace_Enda@finance.senate.gov, Josh_Dunn@kennedy.senate.gov, Melissa_Sanchez@booker.senate.gov, Grace_Kubitz@murkowski.senate.gov, Kaylee_Mulgrew@durbin.senate.gov, Andrew_Downing@sheehy.senate.gov, Sophie_Boumsidia@bluntrochester.senate.gov, Eraj_Shirvani@justice.senate.gov, Fatima.Abbas@treasury.gov, James.Colombe2@treasury.gov, clint.hastings@treasury.gov, Amber_Ebarb@indian.senate.gov, Sarah_McKinnis@indian.senate.gov, Anna_Powers@indian.senate.gov, darren_modzelewski@indian.senate.gov, jocelyn_broman@indian.senate.gov, Christine.glassner@who.eop.gov

Re: President Trump's FY 2026 Budget Request Defunding the CDFI Fund and Native American CDFI Assistance (NACA) Program

Dear Chair Collins, Chair Cole, and fellow members of Congress,

On behalf of the **Native CDFI Network (NCN)** and the **66 co-signatory Native community development financial institutions (CDFIs) and other key Indian Country partners and stakeholders** that have co-signed this letter, we are writing to express concerns regarding President Trump's **FY 2026 Discretionary Budget Request**, or "skinny budget," which features a **90% reduction in funding for the CDFI Fund** from its FY 2025 funding level of \$324 million to just \$33 million. In arguing for this reduction, the Administration [stated](#):

"Consistent with the President's goal of reducing the Federal bureaucracy, the Budget recommends eliminating CDFI Fund discretionary awards. Past awards may have made race a determinant of access to loan programs to 'advance racial equity,' funded products and services that built so-called 'climate resiliency,' and framed American society as inherently oppressive rather than fostering unity. The CDFI industry has matured beyond the need for 'seed' money and should at this point be financially self-sustaining. Remaining funding supports oversight and closeout of prior awards, maintaining CDFI certification, and support for New Markets Tax Credit administration and the zero cost Bond Guarantee Program."

Given that the Native American CDFI Assistance (NACA) Financial (FA) and Technical Assistance (TA) award programs are technically considered discretionary awards, Congressional approval of this [Budget Request provision \(see page 35\)](#) would **eliminate the NACA program altogether**. Based on our experience, we do not agree with the Administration's blanket characterization that the "CDFI industry has matured beyond the need for 'seed' money," as it does not accurately reflect conditions in Indian Country. With very few exceptions, the asset size of the average Native CDFI is below \$15 million, a clear indication that the Native CDFI industry is still in its early stages and continues to require foundational support.

Native CDFIs rely heavily on NACA FA and TA awards to ensure their stability and accelerate their growth to meaningfully address the extensive and critical needs of Native communities. This is particularly true of the roughly two dozen "emerging" Native CDFIs that have only recently been established to fill the significant capital access needs of Native communities, needs that have been willfully ignored for decades by mainstream banking institutions. Without NACA TA and FA awards, many of these will not be able to take root and grow, as they will find it difficult to replace this vital funding from other sources. The Administration's claim that state governments and the private sector will instantly and adequately replace the federal government's sacred obligation to ensure capital flows throughout Indian Country is both unrealistic and contradicted by decades of evidence to the contrary.

We also respectfully disagree with the [Administration's assertion](#) that CDFI Fund awards – which include NACA awards – and we quote, "have been abused to advance a partisan agenda." Native CDFIs are mission-driven institutions focused solely on expanding access to capital and economic opportunity for Native communities. Our work is rooted in service to *all* Native people, regardless of political affiliation. The issues facing Indian Country transcend partisan lines and should be approached as a shared responsibility of the federal government. Both Republican and Democratic administrations, and Congress as a whole, have consistently affirmed the federal trust and treaty obligations to Tribal Nations, communities, and Native-led organizations. These commitments – enshrined in the Constitution, upheld by the courts, and reaffirmed through decades of bipartisan action – should continue to guide federal policy and funding decisions.

On a related note, the Administration's FY 2026 Budget Request calls for the creation of a \$100 million [Rural Financial Award Program \(see page 34\)](#) to "provide access to affordable financing and spur economic development in rural America." While preliminary indications suggest the Administration intends for at least some of this \$100 million to be awarded to Native CDFIs, there are important questions – based on our collective experience – about (1) whether Native CDFIs would receive an equitable share of this relatively limited pool of resources, and (2) the considerable effort that would likely be required to compete for those funds on an ongoing basis. The NACA Program was specifically designed to address these challenges – ensuring that Native CDFIs are not forced to compete on an uneven playing field with larger, more established non-Native institutions, and that funding is available to meet the distinct needs of Native communities in ways that reflect their priorities and circumstances.

Congress also must continue to support Native CDFIs because they have proven for the past three decades to be a force multiplier for economic development across the country, particularly in rural communities. We are mission-driven institutions who are on the ground in Native communities, investing in their infrastructure, catalyzing their economic growth, and enhancing the ability of Native people to achieve self-sufficiency and grow wealth. To that end, instead of eliminating funding for the NACA Program, Congress should, in fact, [increase it to \\$50 million for FY 2026](#). This increase is warranted when one considers that the unmet capital needs of Native CDFIs for homeownership, small business, and consumer lending are significant and growing. Consider, for example:

- A 2024 NCN survey of 51 Native CDFIs found their projected three-year unmet loan capital needs collectively totaled \$8 billion.¹
- Continuing a long trend, for FY 2024 only 70% (\$43.2 million) of the total NACA Base-Financial Assistance (FA) funding requested by applicant Native CDFIs (\$61.6 million) was awarded by the CDFI Fund. In addition, just 67% (\$3.7 million) of the total NACA Technical Assistance (TA) funding requested by applicant Native CDFIs (\$5.5 million) was awarded.²
- According to the Treasury Department, investments made in CDFIs produce an eight-fold return, with each \$1 creating \$8 in private sector investments.³

In closing, we strongly urge you to objectively re-examine the Administration's proposal to essentially defund the CDFI Fund and NACA Program and instead support Native CDFIs commensurate with their demonstrated funding needs. We appreciate your thoughtful 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:

Casey Pearlman
Executive Director

Affiliated Tribes of Northwest Indians Economic Development Corporation (Regional)

Skya Ducheneaux
Executive Director

Akiptan, Inc. (SD)

Mary Miner
Vice President, Community Development
Alaska Growth Capital BIDCO, Inc. (AK)

Timothy Gage
Founder
American Care Planning (OR)

Prairie Bighorn-Blount
Executive Director
American Indigenous Business Leaders (MT)

Angelena Campobasso
Tribal Culture Affairs Manager & Tribal Liaison
ARTS WA (WA)

Tamra Marlowe De Nova
Executive Director
Chehalis Tribal Loan Fund (WA)

Tara De Leon
Chief Executive Officer
Cheyenne & Arapaho Community Development Corporation (OK)

Bill Schonacher
President & CEO
Chickasaw Community Bank (OK)

Sean Winters
Executive Director
Chi Ishobak, Inc. (MI)

Cindy Logsdon
CEO
Citizen Potawatomi Community Development Corporation (OK)

Jeff Tickle
President/CEO
Cook Inlet Lending Center (AK)

Bruce Brooks
President and Interim CEO
Craft3 (WA/OR)

Lakota Vogel
Executive Director
Four Bands Community Fund (SD)

Matthew Lewis
Executive Director
Four Directions Development Corporation (ME)

Renaë Ditmer
President
Free Range Indians (CA)

Tori Matejovsky
Executive Director
Great Northern Development Corporation (MT)

Jeff Gilbreath
Executive Director
Hawai'i Community Lending (HI)

Mary Ann Otake
Chief Operating Officer
Hawaii First FCU (HI)

Rolina Faagai
Executive Director
Hawaiian Lending & Investments (HI)

Carrie Sanders
CEO
Hope Community Capital LLC (WI)

Diana Padilla
Founder/CEO
HOPE for Small Farm Sustainability (TX)

David Lipsetz
President and CEO
Housing Assistance Council (National)

Lesley Kabotie
President
Indigenous Collaboration PBC (MT)

Shayna Ferguson
Manager
Lakota Federal Credit Union (SD)

Robert Aitken
Executive Director
Leech Lake Financial Services (MN)

Christopher Coburn
CEO/Executive Director
Manzeska Ota Tsi (Place to Borrow Money) (OK)

Robby Deere
Chief Executive Officer
Mvskoke Loan Fund (OK)

Angie Main
Executive Director
NACDC Financial Services, Inc. (MT)

Cory Blankenship
Executive Director
NAFOA (National)

Rudy Soto
Executive Director
National American Indian Housing Council (National)

Chris James
President & CEO
National Center for American Indian Enterprise Development/Native Edge Finance (National)

Pete Upton
Executive Director
Native360 Loan Fund (NE)

Thomas Ogaard
President and CEO
Native American Bank, NA (CO)

Lorraine Davis
Founder and CEO
Native American Development Center (ND)

Rollin Wood
CEO
Native Partnership for Housing, Inc. (NM)

Kimberly Pate
Managing Director
NDN Fund (SD)

Jonelle Yearout
Executive Director
Nimiipuu Community Development Fund (ID)

Dave Tovey
Executive Director
Nixyaawii Community Financial Services (OR)

Shanna Shananaquet
Executive Director
Northern Shores Community Development Inc. (MI)

Jordan Ruiz
Executive Director
Northwest Native Development Fund (WA)

Veronica Maturino
CEO
ONABEN (OK)

Chrystel Cornelius
President & CEO
Oweesta Corporation (CO)

Nancy Jordan
Executive Director
Pacific Northwest Tribal Lending (WA)

Lei Riedel
Director
Pakini Loan Fund (HI)

Lilia Kapuniai
Executive Director
Papakolea Community Development Corporation (HI)

James Caudill
Managing Director
Redbud Financial Alternatives, Inc. (KY)

Jonathan Zurek
Executive Director
Seneca Nation of Indians Economic Development Company (NY)

Denise Zuni
Attorney/Owner
Sh'eh Wheel Law Offices, PC (NM)

Alana Peterson
Executive Director
Spruce Root (AK)

Nora J. Mix
Executive Director
Taala Fund (WA)

Sara Barbour
Executive Director
The Alliance CDFI (CA)

Russell Seagle
CEO
The Sequoyah Fund, Inc. (NC)

Jacqueline Pata
President & CEO
Tinglit-Haida Regional Housing Authority/Haa Yakaawu Financial Corporation (AK)

Catherine Zingg
Policy Director
Tribal Energy Alternatives(National)

Dennis Ickes
CEO
Tule River Economic Development Corporation (CA)

Alexander Sterling
Chief Executive Officer
Turtle Island Community Capital (RI)

Kitcki Carroll
Executive Director
United South and Eastern Tribes Sovereignty Protection Fund (Regional)

Joseph Lapilio
President and CEO
Wai'anae Economic Development Council (HI)

Alicia Burns
Executive Director
Westwater Financial, Inc. (CA)

Fern Orié
Chief Executive Officer
Wisconsin Indigenous Economic Development Corporation (WI)

David Gouwens
Interim CEO/COO/CFO
Wisconsin Native Loan Fund, Inc. (WI)

Allyssa Verstoppen
Executive Director
Woodland Financial Partners (WI)

E. Michael Silvas
Governor
Ysleta del Sur Pueblo/Tigua Community Development Corporation (TX)

¹ NCN, *NCN Market Demand Study*, April 2024.

² CDFI Fund, *Native American CDFI Assistance Program Award Book FY 2024, 2024*
(<https://www.cdfifund.gov/media/8016696/download?inline>, accessed January 24, 2025).

³ 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>).