

July 5, 2016

The Honorable Harold Rogers  
Chairman  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Nita Lowey  
Ranking Member  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Ander Crenshaw  
Chairman, Financial Services & General  
Government Subcommittee  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable José E. Serrano  
Ranking Member, Financial Services &  
General Government Subcommittee  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairs and Ranking Members:

As members of the Opportunity Finance Network (OFN), the nation's leading national network of community development financial institutions (CDFIs), we are writing to urge you to oppose the Duffy-Marino amendment to H.R. 5485, the FY 2017 Financial Services and General Government Appropriations Act.

We remain incredibly grateful for the \$250 million appropriation for the CDFI Fund included in H.R. 5485. We recognize that Congress faces substantial constraints on domestic spending in this difficult fiscal environment. We appreciate the broad bipartisan support for CDFIs as efficient and effective facilitators of economic opportunity.

The amendment introduced by Rep. Sean Duffy (WI-07) and Rep. Tom Marino (PA-10) would reduce the appropriations for the CDFI Fund at the U.S. Department of the Treasury by \$20.7 million for FY 2017 or an 8.3% cut across all line items included in the draft bill. It is our understanding that the amendment intends to reduce funding to the CDFI Fund to offset \$20.7 million in payments to some CDFIs by large commercial banks as a result of settlements with the U.S. Department of Justice.

A fundamental problem with the Duffy-Marino amendment is that it presumes that federal funding is the primary or sole source of CDFI funds and that any commercial bank donations are mutually interchangeable with Treasury Department grants. CDFIs that receive funds through a Justice Department settlement are not "double-dipping" because they routinely receive funding via private sources such as large commercial banks as part of their diversified approach to raising investment capital.

By treating CDFI funding as zero-sum and reducing the CDFI Fund funding by an amount equivalent to the Justice Department settlements, the Duffy-Marino amendment will result



in less capital leveraged by CDFIs to finance community businesses and spark job growth in rural, urban, and Native communities. Every \$1 dollar awarded by the CDFI Fund in Financial Assistance (FA)/Technical Assistance (TA) awards results in more than \$12 dollars invested in communities. Therefore, the \$15.3 million cut to FA/TA awards would significantly reduce the final amount of capital that could be leveraged and invested by CDFIs in under-resourced communities.

In addition, CDFI Fund programs are consistently and significantly oversubscribed: in FY 2015, 356 eligible CDFIs requested more than \$435 million in FA and TA awards from the CDFI Fund, but they were only able to grant a little over \$160 million to 152 organizations.

Smaller programs administered by the CDFI Fund, such as the Native American CDFI Assistance (NACA) Program, will bear an even larger burden. If the amendment is passed, it will receive less money than it did in each of the past three fiscal years (FY 2014 - FY 2016). Since its inception in 2001, the NACA Program has provided over \$100 million in FA and TA awards to CDFIs serving Native communities, growing the number of certified Native CDFIs from nine to 70 in 2015.

Lastly, the CDFI Fund continues to work on addressing the unique conditions, challenges, and scale of non-metropolitan areas and rural areas. The funds for the research and innovation initiatives driving this progress come from the administrative expenses line item. A cut would hinder the CDFI Fund's ability to continue their work in this area.

If passed, the Duffy-Marino amendment's cut to FY 2017 CDFI Fund appropriations will lead to less capital available to be leveraged by CDFIs in under-resourced rural, urban, and Native communities. We urge you to oppose this amendment when the House debates H.R. 5485, FY 2017 Financial Services and General Government Appropriations Act.

Thank you for your consideration of this request.

Sincerely,

Access to Capital for Entrepreneurs, Inc.	Cleveland, GA
Accion Chicago	Chicago, IL
Accion East, Inc.	New York, NY
ANDP Loan Fund	Atlanta, GA
Appalachian Community Federal Credit Union	Gray, TN
Arcata Economic Development Corporation	Eureka, CA
Baltimore Community Lending	Baltimore, MD
BBIF Florida	Orlando, FL
BOC Capital Corporation	Brooklyn, NY
Brazos Valley CDC, Inc.	Bryan, TX
Bridgeway Capital	Pittsburgh, PA
Business Impact NW	Seattle, WA



Capital for Change	New Haven, CT
Capital Impact Partners	Arlington, VA
CDC Small Business Finance	San Diego, CA
CEI	Brunswick, ME
Charter Schools Development Corporation	Columbia, MD
Chicago Community Loan Fund	Chicago, IL
Cincinnati Development Fund	Cincinnati, OH
Cinnaire	Chicago, IL
Citizen Potawatomi CDC	Shawnee, OK
City First Enterprises	Washington, DC
Colorado Enterprise Fund	Denver, CO
Communities Unlimited	Fayetteville, AR
Community and Shelter Assistance Corp.	Sherwood, OR
Community Assets for People, LLC	Stevens Point, WI
Community Capital New York	Hawthorne, NY
Community Capital of Vermont	Barre, VT
Community First Fund	Lancaster, PA
Community Health Center Capital Fund	Boston, MA
Community Reinvestment Fund, USA	Minneapolis, MN
Cooperative Fund of New England	Amherst, MA
Corporation for Supportive Housing	New York, NY
Craft3	Ilwaco, WA
Dakota Resources	Renner, SD
Detroit Development Fund	Detroit, MI
Enterprise Community Loan Fund	Columbia, MD
Entrepreneur Fund	Duluth, MN
Entrepreneur Works Fund	Philadelphia, PA
Fahe	Berea, KY
Finance Fund Capital Corporation	Columbus, OH
FINANTA	Philadelphia, PA
First Nations Oweesta Corporation	Longmont, CO
First State Community Loan Fund	Wilmington, DE
Florida Community Loan Fund	Orlando, FL
Forward Community Investments	Madison, WI
Fresno CDFI	Fresno, CA
Genesis LA	Los Angeles, CA
Grow America Fund	New York, NY
Gulf Coast Renaissance Corporation	Gulfport, MS
Hawaii First FCU	Kamuela, HI
Homewise, Inc	Santa Fe, NM
Hope Enterprise Corporation	Jackson, MS
Housing Partnership Network	Boston, MA
Idaho-Nevada CDFI	Boise, ID
IFF	Chicago, IL



Impact Seven	Almena, WI
Initiative Capital	Raleigh, NC
Kentucky Highlands Investment Corporation	London, KY
Latino Economic Development Center	Washington, DC
Legacy Redevelopment Corporation	Milwaukee, WI
Leviticus 25:23 Alternative Fund, Inc.	Elmsford, NY
LiftFund	San Antonio, TX
Local Enterprise Assistance Fund	Boston, MA
Local Initiatives Support Corporation (LISC)	New York, NY
Low Income Investment Fund (LIIF)	San Francisco, CA
Main Street Launch	Oakland, CA
Maryland Capital Enterprises, Inc.	Salisbury, MD
Mercy Loan Fund	Denver, CO
Metro Community Development, Inc.	Flint, MI
Montana & Idaho CDC	Missoula, MT
NeighborWorks Montana	Great Falls, MT
MACED	Berea, KY
Natural Capital Investment Fund, Inc.	Shepherdstown, WV
NCALL Loan Fund	Dover, DE
NeighborWorks of Western Vermont	West Rutland, VT
New Hampshire Community Loan Fund	Concord, NH
New Jersey Community Capital	New Brunswick, NJ
North Side Community Federal Credit Union	Chicago, IL
Northern California Community Loan Fund	San Francisco, CA
Northern Economic Initiatives Corporation	Marquette, MI
Opportunity Finance Network	Philadelphia, PA
Pacific Community Ventures	San Francisco, CA
Partners for the Common Good	Washington, DC
Pathway Lending	Nashville, TN
People Incorporated Financial Services	Abingdon, VA
PeopleFund	Austin, TX
PIDC Community Capital	Philadelphia, PA
PPEP Microbusiness and Housing Development Corporation	Tucson, AZ
Primary Care Development Corporation	New York, NY
Reinvestment Fund	Philadelphia, PA
Rising Tide Community Loan Fund	Bethlehem, PA
Rural Community Assistance Corporation	West Sacramento, CA
San Luis Obispo County Housing Trust Fund	San Luis Obispo, CA
Self-Help Credit Union	Durham, NC
Shared Capital Cooperative	Minneapolis, MN
Solar and Energy Loan Fund of St. Lucie County, Inc.	Fort Pierce, FL
South Carolina Community Loan Fund	Charleston, SC
Southern Mutual Financial Services, Inc.	New Iberia, LA



The Enterprise Center Capital Corporation  
The Progress Fund  
The Support Center  
Vermont Community Loan Fund  
Village Capital Corporation  
Wisconsin Native Loan Fund, Inc.  
Wisconsin Women's Business Initiative Corporation  
Women Venture  
Women's Opportunities Resource Center  
Working Solutions

Philadelphia, PA  
Greensburg, PA  
Raleigh, NC  
Montpelier, VT  
Cleveland, OH  
Lac du Flambeau, WI  
Milwaukee, WI  
Minneapolis, MN  
Philadelphia, PA  
San Francisco, CA

cc: Rep. Sean Duffy (WI-07)  
Rep. Tom Marino (PA-10)