

April 2, 2021

The Honorable Patrick Leahy
Chairman
Senate Appropriations Committee
S-128 The Capitol
Washington, D.C. 20510

The Honorable Richard Shelby
Ranking Member
Senate Appropriations Committee
S-128 The Capitol
Washington, D.C. 20510

Re: FY 2022 Programmatic Appropriations Request for CDFI Fund Programs

Dear Chairman Leahy and Ranking Member Shelby:

On behalf of Opportunity Finance Network (OFN), a community development financial institution (CDFI) membership organization, I am writing to request your support for at least \$1 billion for the CDFI Fund program in the fiscal year (FY) 2022 appropriations process, as well as a continuation of the CDFI Bond Guarantee Program with \$500 million in guarantee authority for this zero-subsidy program. OFN represents and serves a diverse membership of nearly 350 CDFIs of various asset sizes and lending types working on the ground in all 50 states.

CDFIs are private sector financial institutions that invest, lend, and deliver responsible, affordable financial products and services to disinvested communities across the country. For nearly 40 years, CDFIs have provided access to capital where it is needed most: CDFI customers are 84 percent low-income, 60 percent people of color, 50 percent women and 26 percent rural. Nationwide, the more than 1,100 CDFIs certified by the US Treasury Department's CDFI Fund manage more than \$222 billion.

CDFIs are specialized lenders that work with the people and places mainstream financial institutions do not reach, playing a vital role in revitalizing and growing the American economy. During the concurrent health, economic, and racial justice crises, CDFIs stepped up to deliver relief to low-wealth communities through programs like the Paycheck Protection Program but the need for access to responsible finance remains overwhelming. CDFIs are well positioned to respond to the financial needs of low-wealth markets but need their own balance sheets to be stable in order to contribute to the economic recovery.

I urge you to provide an appropriation of at least \$1 billion for the CDFI Fund to drive capital to these communities at a critical time. Congress put a down payment on the CDFI industry in last December's pandemic response legislation. More investments at this scale are needed to truly achieve an inclusive recovery. The federal government must increase the supply of capital to CDFIs – the institutions best positioned to ensure these resources reach distressed communities.

Please feel free to reach out to me with any questions. Thank you for your consideration of our request.

Sincerely,



Lisa Mensah
President and CEO
Opportunity Finance Network