



June 16, 2025

The Honorable Bill Hagerty
Chairman
Subcommittee on Financial Services
and General Government
U.S. Senate
Washington, DC 20002

The Honorable Jack Reed
Ranking Member
Subcommittee on Financial Services
and General Government
U.S. Senate
Washington, DC 20002

The Honorable Dave Joyce
Chairman
Subcommittee on Financial Services
and General Government
U.S. House of Representatives
Washington, DC 20515

The Honorable Steny Hoyer
Ranking Member
Subcommittee on Financial Services
and General Government
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Hagerty, Ranking Member Reed, Chairman Joyce, and Ranking Member Hoyer:

The undersigned organizations, representing Community Development Financial Institution (CDFI) credit unions and CDFI credit union system partners across the country, write to express our concern about the funding levels for the US Treasury Department's Community Development Financial Institutions (CDFI) Fund in light of the President's topline discretionary budget request for FY 2026.

The President's budget request calls for eliminating the CDFI Fund's Financial and Technical Assistance awards despite CDFIs' proven track record of creating economic opportunity and effectively leveraging federal investment with private capital. The programs and discretionary awards of the CDFI Fund play a vital role in expanding CDFIs' capacity to promote access to capital and catalyze economic growth in communities with unmet need across the country.

We strongly urge you to maintain the enacted FY 2025 level of \$324 million in annual appropriations for the CDFI Fund in the 2026 budget, so that CDFIs can continue to build upon this critical work that strengthens the American economy.

The CDFI Fund was established in 1994 as a bipartisan initiative to promote economic vitality and self-sufficiency in distressed, low-income, and persistent poverty communities. Through its discretionary awards, the CDFI Fund provides funding and technical assistance to mission-driven financial institutions, designated as CDFIs, that raise and deploy capital to expand affordable housing, promote homeownership, strengthen small business, create jobs and build consumer financial security. Since the CDFI Fund was established more than 30 years ago, CDFIs have proven themselves as one of the federal government's best market-based strategies, leveraging \$8 of private investment for every \$1 in public funding received.

CDFI credit unions are not-for-profit, member-owned and governed financial cooperatives that succeed by finding opportunities to make affordable, carefully underwritten loans where mainstream financial institutions are unable or unwilling to step in. They succeed in finding and filling financing gaps. Last year alone, CDFI credit unions had \$223 billion in active loans outstanding to their members, underscoring the important role they play in catalyzing economic growth and creating opportunity.



CDFI credit unions serve a broad range of communities, locating their branches where their members need them—from small towns accessible only by boat or plane to co-locating branches in houses of worship and community spaces. More than 20 million Americans are member-owners of CDFI credit unions and access safe and affordable loans and financial services at more than 3,400 branch locations across the country, where their savings and loan repayments revolve within their communities.

With rising costs squeezing family budgets, we need more capital not less, going to strengthen local economies, expanding housing and small business opportunities, creating jobs, and building household savings. Preserving funding for CDFI discretionary awards is an impactful and accountable investment that multiplies the power of public and private dollars to reach more people in need, more effectively for years to come.

Thank you for your consideration, and please contact Alexis Iwanisziw, SVP Policy and Communications at Inclusiv (aiwanisziw@inclusiv.org), with any questions or to discuss the vital role CDFI credit unions play in our economy.

Sincerely,

Inclusiv

African-American Credit Union Coalition (AACUC)

America's Credit Unions

California and Nevada Credit Union Leagues

Carolinas Credit Union League

Cornerstone League

Credit Union League of Connecticut

Defense Credit Union Council

Delaware Credit Unions – Cooperative Credit Union Association

Hawaii Credit Union League

Hawaiian, Asian, Pacific Islander Credit Union Professionals (HAPICUP)

Illinois Credit Union League

Iowa Credit Union League

Kentucky's Credit Unions

La Liga de Cooperativas de Puerto Rico

Louisiana Credit Union Association

Maine Credit Union League

Massachusetts Credit Unions – Cooperative Credit Union Association

MD|DC Credit Union Association

Michigan Credit Union League

Minnesota Credit Union Network

Mississippi Credit Union Association

Montana's Credit Unions

National Association of Latino Credit Unions & Professionals (NLCUP)

National Association of State Credit Union Supervisors (NASCUS)



New Hampshire Credit Unions – Cooperative Credit Union Association
New York Credit Union Association
Rhode Island Credit Unions – Cooperative Credit Union Association
TruStage