



3138 10th Street North  
Arlington, VA 22201-2149  
703.842.2234 | 800.336.4644  
f: 703.522.0594  
chunt@nafcu.org | nafcu.org

**Carrie R. Hunt**  
Executive Vice President of Government Affairs  
and General Counsel

**National Association of Federally-Insured Credit Unions**

March 16, 2017

The Honorable Shelly Moore Capito  
Chairman  
Subcommittee on Financial Service &  
General Government Appropriations  
United States Senate  
172 Russell Senate Office Building  
Washington, DC 20510

The Honorable Christopher Coons  
Ranking Member  
Subcommittee on Financial Services &  
General Government Appropriations  
United States Senate  
127A Russell Senate Office Building  
Washington, DC 20510

The Honorable Tom Graves  
Chairman  
Subcommittee on Financial Service &  
General Government Appropriations  
United States House of Representatives  
2000 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mike Quigley  
Ranking Member  
Subcommittee on Financial Service &  
General Government Appropriations  
United States House of Representatives  
2459 Rayburn House Office Building  
Washington, DC 20515

**RE: The Importance of the Community Development Financial Institutions Program**

Dear Chairman Capito, Chairman Graves, Ranking Member Coons, and Ranking Member Quigley:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU), the only national trade association focusing exclusively on federal issues affecting the nation's federally-insured credit unions, I am writing regarding the importance of the Community Development Financial Institutions (CDFI) program.

As of January 31, 2017, there were 287 credit unions certified as CDFIs. Representing approximately 27 percent of the total number of certified institutions, CDFI certified credit unions hold more than 50 percent of total CDFI assets. Clearly, CDFI credit unions are critical partners in the CDFI Fund's mission. In recognition of this importance, and in exploring ways to enable even more credit unions to be recognized as CDFIs, the NCUA, CDFI Fund and Treasury entered into a trilateral Memorandum of Understanding (MOU) in January 2016. A significant component of the MOU included the introduction of a streamlined CDFI application for credit unions, paving the path for more credit unions to seek the designation.

Because they are not-for-profit, cooperative financial institutions, credit unions are focused on providing financial services that are in the best interest of their members. Since CDFI credit unions predominantly serve low-income areas and other target markets, CDFI credit unions are often the only financial services option for consumers that live paycheck to paycheck. The CDFI

March 16, 2017

Page 2 of 2

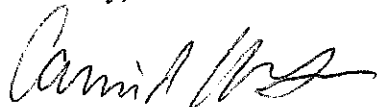
Fund grant program helps credit unions serve communities and consumers that large banks don't focus on.

Additionally, because many credit unions cannot raise funds from the capital markets, access to the CDFI Fund grant program is an incentive for credit unions to obtain certification. The grants provided by the Fund are an invaluable resource that aids CDFI credit unions in providing financial services to millions of credit union members. Without these grant funds, thousands of consumers could find themselves without credit union products, such as small dollar loans, credit builder programs, and access to financial education.

Over the past two years, CDFI credit unions received roughly \$70 million in grant funding to aid in their efforts to offer financial services to their low- and moderate-income members. Without the CDFI grant program, many CDFI credit unions would not have been able offer new products and loans that provide financial stability for members and their families.

We thank you for your important work. Should you have any questions or require any additional information, please do not hesitate to contact me or NAFCU's Vice President of Legislative Affairs Brad Thaler at (703) 842-2204, or [bthaler@nafcu.org](mailto:bthaler@nafcu.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Carrie R. Hunt". The signature is fluid and cursive, with a large initial "C" and "H".

Carrie R. Hunt

Executive Vice President of Government Affairs & General Counsel