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Carrie R. Hunt
Executive Vice President of Government Affairs
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National Association of Federally-Insured Credit Unions

May 1, 2017

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Chuck Schumer
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

**RE: Support for Community Development Financial Institutions (CDFI) Program
Funding in the "Consolidated Appropriations Act, 2017"**

Dear Leader McConnell, Leader Schumer, Speaker Ryan, and Leader Pelosi:

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 in support of the "Consolidated Appropriations Act, 2017" and its \$248 million funding for the Community Development Financial Institutions (CDFI) fund and the \$2 million funding for the National Credit Union Administration's Community Development Revolving Loan Fund.

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, NCUA, the 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 Fund grant program helps credit unions serve communities and consumers that large banks do not focus on.

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

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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.

It is with this in mind that we write in support of the "Consolidated Appropriations Act, 2017" and the accompanying report language that will help encourage regulatory relief. 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.

Sincerely,



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

cc: Members of the United States Senate
Members of the U.S. House of Representatives