**FY 2014 Programmatic Appropriations Request**

**Community Development Financial Institutions (CDFI) Fund**

**Requesting Organization:** Your Organization

**Date:** Date Submitted

|  |  |
| --- | --- |
| **D.C. Contact** | **Local Contact** |
| Alison Feighan  CDFI Coalition  1331 G Street NW, 10th Floor  Washington, DC 20005  Phone: 202-393-5225  Fax: 202-393-3034  E-Mail: Alison@rapoza.org | Your Name  Organization  Mailing Address  City, State, Zip  Phone Number  Fax Number  Email Address |

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| --- | --- | --- |
| **Appropriations Subcommittee** | **Agency** | **Accounts** |
| Financial Services & General Government | Department of Treasury | Community Development Financial Institutions Program Account |

**Programmatic Funding Request for CDFI Fund**

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| --- | --- |
| Amount Requested for FY 14: | $ 224.9 million |
|  |  |
| Amount included in FY14 President’s Budget: | $ 224.9 million |
|  |  |
| Amount Increase/Decrease over FY14 President’s Budget: | $ 0 |
|  |  |
| Amount Appropriated for FY13 | $221 million |
|  |  |
| Amount Increase/Decrease over FY13: | $ 3.9 million |

**Program Description and Justification for FY14 Request:**

**The Community Development Financial Institutions Fund** (CDFI Fund) was established within the U.S. Department of Treasury in 1994[[1]](#footnote-1) to promote community development in economically distressed urban and rural communities by investing in and growing **Community Development Financial Institutions(** CDFIs) across the country.

CDFIs, are community-based, mission-driven financial institutions that specialize in delivering affordable credit, capital, and financial services to residents and businesses in minority and economically distressed communities. As community based financial institutions CDFIs understand and can respond effectively to the needs of their target market. CDFIs provide the flexible, market-driven products and services that consumers and small business owners need to grow and thrive. CDFIs fill a vital niche in the nation's financial services delivery system by serving communities and market sectors that conventional lenders cannot - with the ultimate goal of bringing CDFI customers into the mainstream economy as bank customers, home owners and/or entrepreneurs.

To date, the CDFI Fund has certified more than 999 CDFIs to work in low-wealth communities in all 50 states and the District of Columbia. In addition to overseeing CDFI certification, the CDFI Fund administers a range of innovative programs designed to strengthen the ability of CDFIs to provide financial products and services to underserved communities. CDFI Fund programs include: ***Financial Assistance (FA) awards*** to certified CDFIs and ***Technical Assistance (TA) grants*** to certified or emerging CDFIs; the ***Native American CDFI Assistance (NACA) Program*** aimed at increasing the number and capacity of CDFIs serving native communities; and the ***Bank Enterprise Award (BEA) Program*** providing monetary awards to FDIC-insured banks that invest in low-income communities and/or in CDFIs.

Since 1994, the CDFI Fund has awarded more than $1.7 billion on a competitive basis to CDFIs, Native American CDFIs, and financial institutions through the BEA Program- with $1billion going to CDFIs and emerging CDFIs as FA awards or TA grants. In FY 2012, CDFIs made over 17,500 loans or investments totaling over $1.29 billion and financed more than 4,1032 small businesses, over 24,466 housing units, and created more than 25,618 jobs.

**Program Funding History:**

**CDFI Fund**

**Program Funding History 2009-2013**

*($ in millions)*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **FY 09** | **FY 10** | **FY 11** | **FY 12** | **FY 13** |
| **CDFI Fund Appropriation** | **$ 107** | **$ 247** | **$ 227** | **$221** | **$221** |
| *- CDFI Program (FA/TA)* | *60* | *107* | *150* | *146* | 146 |
| * *Healthy Foods* | *0* | *0* | *25* | *22* | 22 |
| * *Bank on USA* | *0* | *0* | *0* | *0* | 0 |
| * *Native Initiatives* | *9* | *12* | *12* | *12* | 12 |
| * *Bank Enterprise Award* | *22* | *25* | *22* | *18* | 18 |
| * *Capital Magnet Fund* | *0* | *80* | *0* | *0* | 0 |
| * *Admin Expenses* | *15* | *18* | *18* | *23* | 23 |
| * *Pilot programs* | *2* | *4* | *0* | *0* | 0 |

\* match requirement waived for Small and Emerging CDFI and Native CDFI applicants. The three -year, $5 million funding cap is waived for Healthy Food Financing Initiatives applicants.

1. The CDFI Fund was authorized as part of the *Riegle Community Development and Regulatory Improvement Act (PL 103-325)*. [↑](#footnote-ref-1)