



March 18, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
U.S. Capitol Building, Room: S-230
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
Hart Senate Office Building, Room: 419
Washington, DC 20515

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
U.S. Capitol Building, Room: H-232
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
U.S. Capitol Building, Room: H-204
Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi and Minority Leader McCarthy:

On behalf of the Native CDFI Network (NCN), we write to urge you to consider and include emergency funds for community development financial institutions (CDFIs) in legislation promoting economic stimulus in response to the COVID-19 epidemic. CDFIs play a crucial role in providing access to capital for working-class individuals and small businesses across the US.

NCN's members, Native American-serving CDFIs (NCDFIs), focus their work in providing access to capital in low-income, high poverty, and underbanked Native communities across 25 states.¹ By investing in NCDFIs, Congress will target institutions that are based and operate in Native communities. This ensures that not only do funds reach local businesses, but funding also stays and supports professionals already working in Indian Country. The Treasury set up the Native American CDFI Assistance (NACA) program in response to a Congressionally-mandated study that found that Native American, Native Alaskan, and Native Hawaiian communities face unique challenges to economic growth. These obstacles include heightened barriers to accessing capital and basic financial services, as well as increased difficulty interacting with private and public sector programs.²

In response to the increased pressures on NDFIs due to the COVID-19 emergency, NCN has a simple, yet impactful request. **NCN urges Congress to appropriate \$1 billion to the CDFI Fund in emergency capital and supplemental technical assistance separate and above annual appropriations. Of this emergency supplemental support, NCN urges Congress to ensure that \$100 million support Native CDFIs through the NACA fund.** Together this economic stimulus will ensure financial institutions in Indian Country can help respond to the COVID-19 economic impact in underserved and underbanked areas. Additionally, NCN supports the broader request from peer organizations such as the Opportunity Finance Network (OFN) for CDFIs, and broader Indian Country requests from the National Congress of American Indians (NCAI) and the Native American Finance Officers Association (NAFOA).

¹ CDFI Fund. *CDFI Program & NACA Awardees*. May 2019.

² CDFI Fund. *Fact Sheet: CDFI Fund's Native Initiatives*. February 2020.

Additionally, to ensure NCDFIs are able to maximize the use of resources, **NCN urges Congress to include language waiving the matching requirement, as Congress has done the past six appropriations cycles.**³ This will allow all Native CDFIs to take advantage of the additional capital and support small businesses in underbanked communities.

Native CDFI-supported small businesses in the travel, hospitality, tourism, and foodservice sectors already may not be able to make loan repayments, and the economic impact of COVID-19 will continue to expand. NCDFIs will be forced to adjust and restructure loan terms; this will come at a cost to operating revenue. As the economic impact of small business closures, tourism abating, and the decline of the energy sector that disproportionately impacts rural communities continue to build, NCDFIs will face even greater challenges. Now is the time for Congress to act and support emerging Native economies.

Again, on behalf of the Native CDFI Network’s members across 25 states, I urge you to support emergency supplemental funding for the CDFI Fund and the Native American CDFI Assistance programs. Thank you for your consideration. We can be reached at pete@native360.org, robin@hawaiianhomesteads.org, jbrossy@nativecdfi.net.

Sincerely,



Pete Upton, Chairman
Native CDFI Network



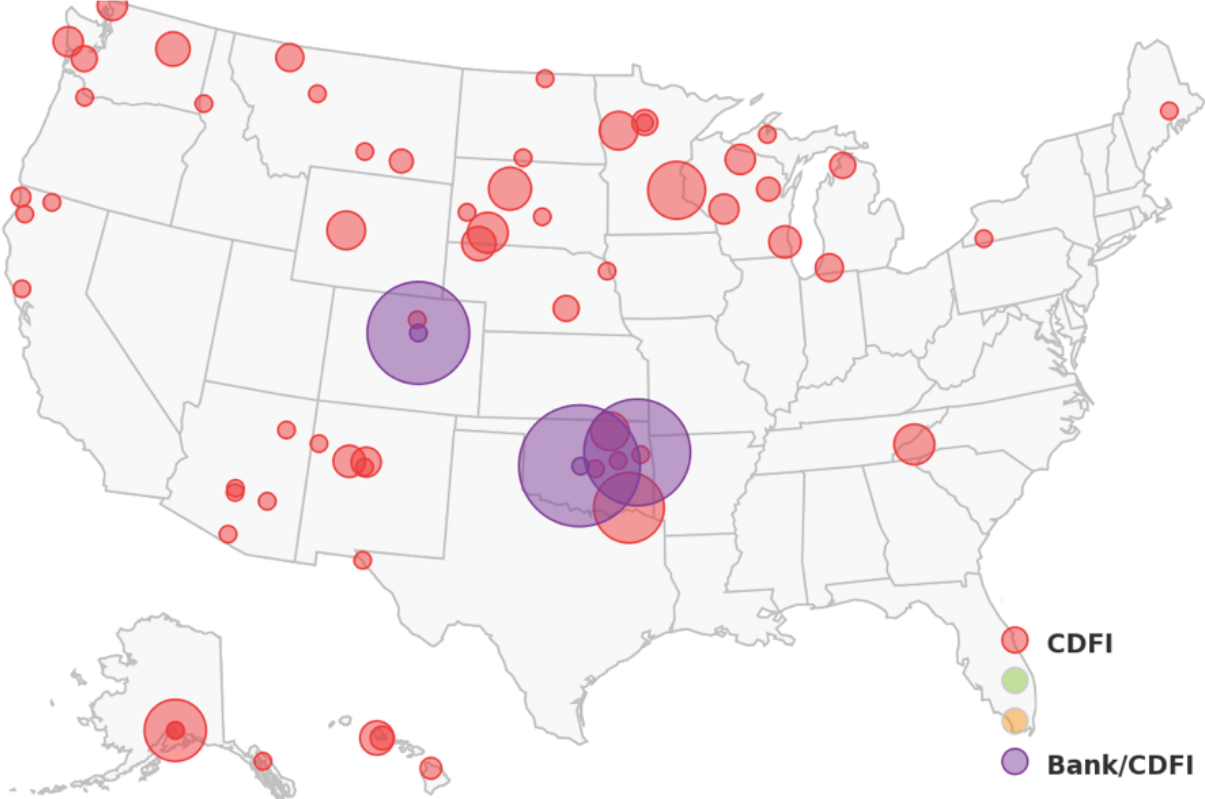
Robin Danner, Policy Chair
Native CDFI Network



Jackson Brossy, Executive Director
Native CDFI Network

³ Waiver language — “For assistance provided pursuant to section 108 of the Community Development Banking and Financial Institutions Act of 1994 ([12 U.S.C. 4707](https://www.law.cornell.edu/ucc/12/12-4707.html)) to benefit Native Community Development Financial Institutions, as defined by the Secretary of the Treasury, section 108(e) of such Act shall not apply.”

RESOURCE: US TREASURY-CERTIFIED NATIVE CDFIS & EMERGING NCDFIS MAP



Source: Federal Reserve Bank of Minneapolis – Center for Indian Country Development

Resource: Native CDFI Network Members:

NCN Member CDFI	State	NCN Member CDFI	State
Alaska Benteh Capital	Alaska	Native Partnership for Housing	N. Mexico/ Arizona/Utah
Bristol Bay Development Fund	Alaska	Tiwa Lending Services	New Mexico
Alaska Growth Capital	Alaska	Seneca Nation of Indians Econ. Dev. Co.	New York
Tlingit & Haida Housing Authority	Alaska	Sequoyah Fund	N. Carolina
Hopi Credit Association	Arizona	Native American Development Center	N. Dakota
Native Capital Access	Arizona	Cherokee Nation Econ. Dev. Trust Authority	Oklahoma
Westwater Financial, Inc.	California	Citizen Potawatomi Comm. Dev. Corp.	Oklahoma
First Nations Oweesta Corporation	Colorado	Mvskoke Loan Fund	Oklahoma
Council for Native Hawaiian Advmt.	Hawaii	ATNI Financial Services	Oregon
Hawaiian Community Assets	Hawaii	Umatilla Tribes' CDFI	Oregon
Homestead Loan Fund	Hawaii	Black Hills Community Loan Fund	S. Dakota
Lei Ho'olaha	Hawaii	Four Bands Community Fund	S. Dakota
The Kohala Center	Hawaii	Lakota Federal Credit Union	S. Dakota
Nimiipuu Community Dev. Fund	Idaho	Mazaska Owecaso Otipi Financial	S. Dakota
Four Directions Development Corp	Maine	The Lakota Funds	S. Dakota
Chi Ishobak Inc.	Michigan	Thunder Valley Community Dev. Corp.	S. Dakota
Northern Shores Loan Fund	Michigan	NDN Collective	S. Dakota
Bii Gii Wiin CDLF	Minnesota	Chehalis Tribal Loan Fund	Washington
Leech Lake Financial Services, Inc	Minnesota	Lummi CDFI	Washington
White Earth Investment Initiative	Minnesota	Northwest Native Development Fund	Washington
Indian Land Capital Company	Minnesota	Taala Fund	Washington
NACDC - Financial Services, Inc.	Montana	Jamestown S'Klallam Tribe Econ. Dev. Auth	Washington
Native American Dev. Corp.	Montana	Wisconsin Native Loan Fund	Wisconsin
People's Partner For Comm. Dev.	Montana	Wind River Development Fund	Wyoming
Native360 Loan Fund	Nebraska/ S. Dakota/IA		