



PROGRAMMATIC & BILL LANGUAGE APPROPRIATIONS REQUEST

for
FY 2018 & FY 2019

**\$16 Million for the Native American CDFI Assistance (NACA)
Initiative Administered by the Treasury Department’s CDFI Fund**

Appropriations Subcommittee of Jurisdiction	Federal Agency & Bureau	Program & Account
Financial Services & General Government	Department of Treasury, Community Development Financial Institutions Fund	Community Development Financial Institutions Program Account

Native CDFI Network (NCN) asks Congress to provide **\$248 million** to support CDFI Fund programs and activities in FY 2018 and in FY 2019 with at least **\$16 million** set aside to fund the CDFI Fund’s Native American CDFI Assistance (NACA) initiatives. In addition, NCN asks Congress to include language in the FY 2018 and FY 2019 Financial Services and General Government Appropriations bills to **waive the non-federal match requirement** (*section 108(e) of Public Law 103–325*) **for Native CDFIs seeking NACA funding**. The private match requirement was waived for Native CDFIs in the FY 2017 omnibus appropriations bill, and both the House and Senate Appropriations Committees reported out FY 2018 bills that waived the match requirement for Native CDFIs.

FY 2019 Programmatic Funding Request CDFI Fund’s Native American CDFI Assistance (NACA) Program

Amount Requested by NCN for FY 2018:	\$ 16 million
Amount Requested by NCN for FY 2019:	\$ 16 million
President’s FY 2019 Budget Request ¹ :	\$ 0
Amount Appropriated for FY 2017:	\$ 15.5 million
Amount Requested over FY 2017 Appropriation:	+ \$ 0.5 million

Requested Bill Language

NCN asks that the following bill language be included in both the final FY 2018 and FY 2019 Financial Services and General Government Appropriations bills under the CDFI Fund account:

“ not less than \$16,000,000, notwithstanding section 108(e) of Public Law 103–325 ([12 U.S.C. 4707\(e\)](#)), is available until (September 30, 2018/September 30, 2019), for financial assistance, technical assistance, training and outreach programs designed to benefit Native American, Native Hawaiian, and Alaskan Native communities and provided primarily through qualified community development lender organizations with experience and expertise in community development banking and lending in Indian country, Native American organizations, tribes and tribal organizations, and other suitable providers;

¹ The President’s FY 2019 budget eliminates funding for CDFI Fund and NACA grants.

Treasury Department's CDFI Fund Appropriations History

FY 2015 – FY 2019

\$ in Millions

	FY 15	FY 16	FY 17	FY 18 House	FY 18 Senate Approps FSGG	NCN Request FY 18	President's Budget FY 19	NCN Request FY 19
CDFI Fund Appropriation	230.5	233.5	248	190	248	250	14²	248
NACA Program	15	15.5	15.5	15	15.5	16	0	16
Match Waived for NACA	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes

Program Description and Justification for FY19 Request

The **Community Development Financial Institutions Fund** (CDFI Fund) was established within the U.S. Department of Treasury in 1994³ to promote community development in economically distressed urban and rural communities by investing in and growing **Community Development Financial Institutions (CDFIs)** across the country.

In 2001, the CDFI Fund published the **Native American Lending Study**, which identified 17 major barriers to investment in Native Communities and offered recommendations aimed at overcoming the barriers and generating economic opportunity in Indian Country. The Fund's study affirmed the importance of developing Native CDFIs as institutions focused on and responsive to American Indian, Alaskan Native, and Native Hawaiian Communities. With this in mind, the CDFI Fund created programs specifically designed to support the creation and expansion of Native CDFIs and help Native Communities thrive and grow by increasing their access to credit, capital, and financial services.

Through the **CDFI Fund's Native American CDFI Assistance (NACA) Program**, financial assistance and technical assistance awards are made on a competitive basis to Native CDFIs. These monetary awards allow Native CDFIs to effectively pursue a variety of goals - from small business development and job creation to affordable housing development - all focused on building wealth and economic self-determination in Native Communities. Since 2002, the CDFI Fund has made 522 awards totaling \$158.2 million to Native CDFIs. These awards have resulting in over 27,500 loans and investments generating more than \$757.4 million in economic activity in Native Communities.

Native CDFIs have proven to be effective engines of economic growth and empowerment. Since the launch of NACA the number of certified Native CDFIs has grown from 7 to 73 with still more organizations seeking certification. It is critical that the CDFI Fund's NACA program is adequately funded to support the work of established and emerging Native CDFIs. It is also critical that the non-federal match required by statute is waived for Native CDFIs seeking NACA funding. Native Communities are unserved or underserved by conventional financial institutions and private foundations, the two most common source of CDFI matching funds, and unless the match is waived Native CDFIs are unable to access the funding made available through NACA.

² The President's FY 2019 budget preserves \$14 million for CDFI Fund administrative expenses only.

³The CDFI Fund was authorized as part of the *Riegle Community Development and Regulatory Improvement Act (PL 103-325)*.