



July 28, 2020

The Honorable Mike Crapo
Chairman
U.S. Senate Committee on Banking,
Housing and Urban Affairs,
534 Dirksen Senate Office
Washington, DC 20510

The Honorable Sherrod Brown
Minority Leader
U.S. Senate Committee on Banking,
Housing and Urban Affairs
534 Dirksen Senate Office
Washington DC 20510

Dear Chairman Crapo and Ranking Member Brown:

On behalf of the members of the Community Development Bankers Association (CDBA) and Inclusiv, we strongly urge you to include The Jobs and Neighborhood Investment Act (S. 4255) in the pending Senate Coronavirus relief and recovery package.

CDBA is the national trade association for banks that are US Treasury designated Community Development Financial Institutions (CDFIs). Our members have a primary mission of promoting community development and target at least 60% of their total lending and activities to low- and moderate-income communities and customers that are underserved by traditional financial service providers.

Inclusiv is a national network representing 320 community development credit unions (CDCUs) that serve 12 million people in the low-income communities and communities of color that are most severely impacted by this economic downturn. As the leading national expert for credit unions on community development and financial inclusion in diverse communities, Inclusiv is committed to facilitating the resources necessary to help credit unions serve people who need them now more than ever.

This initiative requires no new funding to move forward. The bill redirects \$17.9 billion of \$500 billion in funding already appropriated by Congress under the CARES Act at 15 USC 9042 for the U.S. Treasury to support emergency economic relief. Of these amounts, \$122 billion is unused and not expected to be deployed. S. 4255 will channel a small portion of the unused resources to rebuild low-income and minority communities that have been especially hard-hit by the economic hardship caused by the COVID-19 crisis.

The Jobs and Neighborhood Investment Act is based on successful recovery programs implemented during the Great Recession, including the 2009 American Renewal and Recovery Act (ARRA), the 2010 Community Development Capital Initiative (CDCI), and the 2010 Small Business Lending Fund (SBLF).

Our members serve low- and moderate-income communities here in across the United States. S. 4255 will provide CDFIs and Minority Depository Institutions (MDIs) with resources to help small businesses and others rebuild their local economies. Communities like those served by our members have a large portion of low-income and minority residents and have borne the brunt of business closures and job losses, which in turn, threaten

housing, health and food security for residents. Our members provide affordable capital and assistance that give businesses and residents a “hand up” in rebuilding.

CDFI banks have already responded mightily during this crisis. CDFI banks were active lenders under the Paycheck Protection Program (PPP) and made loans to the smallest businesses. We have been working with borrowers on payment deferrals, loan restructures, and other forms of assistance to help them manage and survive the economic crisis. Over the past 25 years, CDFIs have proven to be one of the Federal government’s best market-based strategies for leveraging large amounts of private dollars to restore economic vitality in underserved markets.

Likewise, CDFI and minority credit unions have been critical during this crisis; ensuring people have access to their funds, helping consumers access those funds remotely and safely, providing forbearance on loans and offering emergency relief and assistance to help members in their community. CDFI credit union originated more than \$650 million in Paycheck Protection program loans helping small and microbusinesses to stay afloat. Moreover, CDFI credit unions have delivered financial coaching to thousands of community residents providing guidance to ensure that communities are accessing the supports intended for them.

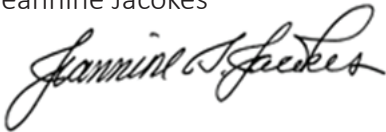
In the interests of ensuring an economic recovery that reaches all Americans and communities, I urge you to support S. 4255 - The Jobs and Neighborhood Investment Act.

If you have questions, please contact me at jacokesj@pcgloanfund.org or 202-207-8728 or contact Brian Blake, CDBA’s Public Policy Director at blakeb@pcgloanfund.org or 646-283-7929.

Thank you for your consideration on this important matter.

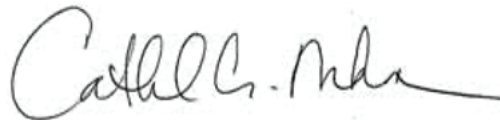
Sincerely,

Jeannine Jacokes



Chief Executive Officer
Partners for the Common Good

Cathleen A. Mahon



President and CEO
Inclusiv

cc:
Chairwoman Maxine Waters, U.S. House Committee on Financial Services
Representative Patrick McHenry, Ranking Member, U.S. House Committee on Financial Services