



February 15, 2022

Via Electronic Submission

The Honorable Janet Yellen  
Secretary  
United States Department of the Treasury  
1500 Pennsylvania Avenue  
Washington, DC 20220

RE: Release of Emergency Capital Investment Program Legal Documents and Rate Reduction Report and Guidelines

Dear Secretary Yellen:

On behalf of the members of the Community Development Bankers Association (CDBA) and National Bankers Association (NBA), we write to respectfully express concern about a need for an adequate time to prepare public comments on ECIP Legal Documents and Rate Reduction Reports and Guidelines.

Our members collectively represent the great majority of CDFI and MDI banks, thrifts, and bank holding companies selected to participate in ECIP. ECIP is designed to ensure that long-term economic recovery extends to all corners of the economy, particularly low-income and minority communities.

- CDBA is the national trade association for banks and thrifts 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 (LMI) communities and customers that are underserved by traditional financial service providers. Many are also Minority Depository Institutions (MDIs).
- NBA is the leading trade association for the country's MDIs. Our mission is to serve as an advocate for the nation's MDIs on all legislative and regulatory matters concerning and affecting our member institutions as well as the communities they serve. Many of our member institutions are also CDFIs and have historically been the only banks for consumers and businesses who are underserved by traditional banks and financial service providers.

Like Treasury, we are strongly committed to the success of ECIP. ECIP will be transformational as it provides critical growth capital to CDFI and MDI depositories that are small and lack the resources of larger banks. As ECIP was intended by Congress as a long-term initiative, it is critically important that the documents governing the program be workable over the long-term and not inhibit the ability of participants to grow, seize new opportunities, and/or respond changes in the operating environment. As such, ECIP's success requires that participating institutions have the opportunity, and adequate time, to digest the information these documents contain and share comments. In turn, Treasury and the

regulatory agencies must also have the time to consider the comments and make adjustment where appropriate.

The Legal Documents published on February 2, 2022 are fundamental to the success of the ECIP program. The documents are lengthy and complicated and will require careful consideration. ECIP participants have already shared many questions with us. We believe there are several provisions that need clarification, and we believe some revisions will be required. While Treasury has not provided a formal process for providing comments on these documents, nevertheless, we are preparing comments at the request of the ECIP participants.

The Rate Reduction Report and guidelines published on February 15, 2022 are also critically important as they provide powerful financial incentives to increase lending and investing in the most underserved communities. While the Treasury Department has requested public comment, it is allowing a mere two (2) weeks for submission of comments. This is wholly inadequate given the needs of communities our members serve. Ensuring the system is designed to be maximally effective in incenting the volume and type of financing envisioned by Congress is paramount. The impact of this incentive structure will be felt in distressed communities for years to come; thus, it is important to get it right. Industry feedback will help ensure the system is effective in achieving its statutory goals.

**We respectfully request that the Treasury Department allow not less than six (6) weeks from the date of publication of the Rate Reduction Report and guidelines for submission of comments on this and the Legal Documents.**

CDFI and MDI banks are eagerly preparing to leverage ECIP capital for the benefit of millions of people in the nation's most distressed communities. We appreciate the hard work and thoughtful consideration of Treasury in launching ECIP. We believe ECIP represents an unprecedented opportunity to expand high-impact, market-based solution within COVID-affected communities. We look forward to future discussion on these important issues.

If you have any questions, please contact Jeannine Jacokes, CDBA Chief Executive Officer, at (202) 689-8935 ext. 222 or [jacokesj@pcgloanfund.org](mailto:jacokesj@pcgloanfund.org), or Nicole Elam, NBA President & CEO, at (202) 590-6880 or [nelam@nationalbankers.org](mailto:nelam@nationalbankers.org).

Sincerely,



Jeannine Jacokes  
Chief Executive Officer  
Community Development Bankers Association



Nicole Elam  
President & CEO  
National Bankers Association