

**FOR IMMEDIATE RELEASE**

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**NEW \$1BILLION CDFI TAX CREDIT BILL TO BOOST MAIN STREET  
INVESTMENT IN UNDERSERVED COMMUNITIES**

*Senator Mark Warner, Senate Colleagues and Community Development  
Bankers Association (CDBA) Steward Historic Bi-Partisan Legislation*

WASHINGTON – Today, U.S. Sen. Mark R. Warner (D-VA) was joined by Sens. Roger Wicker (R-MS), Chris Van Hollen (D-MD), and Cindy Hyde-Smith (R-MS) in introducing bipartisan legislation to promote lasting economic prosperity in Black, brown and low-income communities. This bill would help unlock more equity and long-term financial capital for community development financial institutions (CDFIs). CDFIs serve as a backbone for low-income or minority-owned businesses, which tend to have fewer banking relationships and less access to traditional forms of funding.

This bill will help direct support to lenders that focus on underserved communities. It creates a CDFI Investment Tax Credit that will attract private sector investors that make equity, equity-equivalent investments, or long-term patient capital available to CDFIs. The bill will benefit CDFIs of all types including banks, credit unions, venture capital funds, and loan funds, while providing institutions with the maximum flexibility and financial support they need to increase wealth in low- and moderate-income communities. Currently, there are 1,400 CDFIs nationwide.

“As the national trade association for community development banks, CDBA is proud to have led the advocacy efforts for the new CDFI Tax Credit Investment Act. In addition to another recent victory for the communities served by CDFI banks – the U.S. Treasury’s \$9 Billion Emergency Capital Investment Program (ECIP) – this tax credit will strengthen CDFIs serving at the grassroots, supporting the most vulnerable and disinvested communities in the U.S. and creating new economic opportunities. This tool will be a game changer by attracting private capital to Main Street where it’s needed most.” **said Jeannine Jacokes, Chief Executive Officer, Community Development Bankers Association.**

To combat the hemorrhaging of jobs and economic opportunities during the pandemic, Sen. Warner has been a leader in Congress for CDFIs and MDIs. In July of 2020, he teamed up with a bipartisan group of Senators to introduce the [\*Jobs and Neighborhood Investment Act\*](#) – an effort that secured endorsements from a [\*host of other advocacy organizations and civil rights groups\*](#). Together, Sen. Warner and U.S. House Financial Services Committee Chairwoman Maxine Waters were later able to secure provisions from the bill in the *Coronavirus Response and Relief Supplemental Appropriations Act of 2021*, which was signed into law on December 27, 2020, providing an unprecedented \$12 billion in funding for CDFIs.

“As a former entrepreneur and venture capitalist, I know that talent and ambition is not confined by income bracket or zip code. Unfortunately, access to start-up capital often is. CDFIs and MDIs do the invaluable work of bridging the gap and reaching small businesses in our most vulnerable communities – a role that became even more critical during the pandemic,” **said Sen. Warner**. “Despite the historic investments we were able to deliver through the emergency COVID-19 relief package, CDFIs remain in need of additional equity and capital to continue serving their communities. This legislation will create a new tax credit, helping spur important private-sector investments and allowing these community lenders to grow.”

In addition to the CDBA, this legislation has the support of a number of organizations, including National Association of Affordable Housing Lenders, Community Development Venture Capital Alliance, LISC, OFN, CDFI Coalition, Inclusiv, and the Enterprise Community Loan Fund, among others.

Bill text is available [here](#). A one-pager of the bill is available [here](#).  
[www.cdbanks.org](http://www.cdbanks.org)

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