

United States Senate

WASHINGTON, DC 20510

April 5, 2005

Dear Colleague:

Please join us in requesting an \$80 million appropriation for the Community Development Financial Institutions (CDFI) Fund in Fiscal Year 2006. This appropriation will be used to leverage an additional \$1 billion in private sector investment for our nation's emerging domestic markets. This investment is needed to preserve the CDFI's core programs including financial assistance, Native American CDFI Initiatives, technical assistance, and Bank Enterprise Award programs.

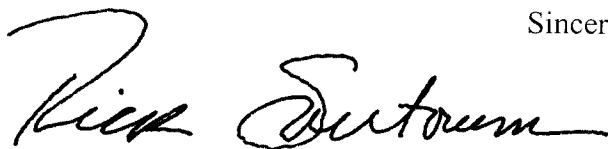
CDFIs are financial institutions that specialize in underserved markets with the goal of bringing those markets into the economic mainstream and bringing the economic mainstream into those markets. In its first 10 years, the CDFI Fund has successfully invested in CDFIs working in urban, rural, and reservation-based markets in all 50 states to produce jobs, quality affordable housing, and facilities for vital social services.

The CDFI Fund makes seed capital grants and loans through a highly competitive process. Investees provide detailed documentation of financial soundness and social impact, are required to match federal investments dollar for dollar with private money, and leverage the CDFI Fund's investment on their balance sheets and in the investments they make. The Treasury Department has testified that every \$1 of federal CDFI Fund investment leverages \$21 in private sector investment.


An \$80 million appropriation would restore the CDFI Fund to FY02 levels from an FY05 level of \$55 million. This funding will ensure that the CDFI Fund continues to administer its critically important investment programs, as well as the New Markets Tax Credit. It would ensure that the CDFI Fund would continue to operate successfully in the Department of the Treasury and continue to address the capital demand of CDFIs and the communities they serve.

If you would like to join us in support of the CDFI program, please contact Ashley Horning of Senator Santorum's office at 224-6324 or Keith Roachford of Senator Corzine's office at 224-4744.

Sincerely,



Rick Santorum
United States Senate



Jon S. Corzine
United States Senate

April 30, 2005

The Honorable Christopher S. Bond, Chairman
The Honorable Patty Murray, Ranking Member
Subcommittee on Transportation, Treasury, the Judiciary,
HUD and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairman Bond and Ranking Member Murray:

We are contacting you to express our strong support for an appropriation of at least \$80 million for the Community Development Financial Institutions (CDFI) Fund in Fiscal Year 2006. This appropriation will be used to leverage an additional \$1 billion in private sector investment for our nation's emerging domestic markets. This investment is needed to preserve the CDFI's core programs including financial assistance, Native American CDFI Initiatives, technical assistance, and Bank Enterprise Award programs.

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An \$80 million appropriation would restore the CDFI Fund to FY02 levels from an FY05 level of \$55 million. As our nation continues its economic recovery and expansion, we believe it is time to increase our investment in programs that work to make sure that all people have the opportunity to participate fully in economic prosperity. This funding will ensure that the CDFI Fund continues to administer its critically important investment programs, as well as the New Markets Tax Credit. It would ensure that the CDFI Fund would continue to operate successfully in the Department of the Treasury and continue to address the capital demand of CDFIs and the communities they serve.

We urge your support and thank you for your consideration.

Sincerely,