

August 21, 2025

The Honorable Roger Wicker  
Chairman  
Committee on Armed Services  
United States Senate  
425 Russell Bldg.  
Washington, DC 20510

**RE: Support for NDAA Amendment 3640**

Dear Senator Wicker,

On behalf of the Independent Community Bankers of America (ICBA), we are writing to express our strong support for four critical pieces of legislation aimed at strengthening community development financial institutions (CDFIs) and expanding their vital work in communities across the nation. CDFI banks provide capital and financial services to underserved populations and local businesses, and these bills will enhance their capacity and effectiveness to deliver that capital and those services.

**CDFI Fund Transparency Act (Daines/Warner)**

ICBA supports the CDFI Fund Transparency Act. This bill would require the Secretary of the Treasury to testify annually before Congress regarding the operations of the CDFI Fund. This enhanced oversight is crucial for ensuring the fund operates efficiently and effectively, and that its resources are being deployed in a manner that maximizes impact. Increased transparency will build public trust and allow for better-informed policy decisions regarding the CDFI Fund's future.

**CDFI Bond Guarantee Improvement Act of 2025 (Rounds/Smith)**

The CDFI Bond Guarantee Improvement Act of 2025 will significantly improve the CDFI Bond Guarantee Program by reducing the minimum loan size from \$100 million to \$25 million. It would also remove the annual cap on guarantees. Both these changes will make the program accessible to a wider range of CDFI banks, especially for small business customers that would not need such sizable loans. This will allow smaller, often rural, CDFIs to secure long-term, stable funding for more community development projects without creating a taxpayer subsidy. This expansion is a key step in ensuring all communities, regardless of size, can benefit from these programs.

**Scaling Community Lenders Act (Warner/Crapo)**

ICBA fully endorses the Scaling Community Lenders Act. This bill would authorize the Treasury Secretary to use dividends from the Emergency Capital Investment Program (ECIP) to fund the long-dormant Section 113 of the Riegle Act of 1994. This bill would revive the CDFI liquidity enhancement pilot program, which provides crucial capital to private-sector liquidity facilities. By strengthening these facilities, CDFI banks would have more capacity to make a greater number of loans and serve more people.

## **Rural Housing Service Reform Act of 2025 – SEC. 301. Native CDFI Relending Program (Smith/Rounds)**

The Rural Housing Service Reform Act of 2025 includes a vital provision to address the significant disparity in homeownership rates for Native American households. Expanding the existing USDA pilot program to partner with Native CDFIs is a logical and effective strategy. Native CDFIs possess deep local knowledge and community ties, which are essential for successfully deploying loans to eligible borrowers. This amendment will directly support Native families in achieving homeownership.

These four bills represent a comprehensive and strategic approach to empowering CDFIs. ICBA urges Congress to support and pass this legislation. These measures will improve the operational efficiency and reach of CDFI banks, ultimately benefiting the communities they serve.

Sincerely,

/s/

Rebeca Romero Rainey  
President & CEO