October 22, 2025

The Honorable Scott Bessent
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Russell Vought
Director
The Office of Management and Budget
725 17th Street, NW
Washington, D.C. 20503

Dear Secretary Bessent and Director Vought:

We write to express our strong support for the Community Development Financial Institutions (CDFI) Fund and to request that the Administration immediately reverse its efforts to fire all Fund employees and return to carrying out the Fund's statutory obligations. The CDFI Fund is a lifeline for underserved communities in Ohio and across the country, and termination of all Fund staff threatens American families and Main Street businesses that depend on CDFIs for access to capital and other financial services.

Since its inception in 1994, the CDFI Fund has proven successful in carrying out its mission to expand economic opportunity for underserved communities through public-private partnership. The Fund allows certified CDFIs like community banks and credit unions to leverage federal dollars to provide access to capital and financial services where traditional finance falls short, enabling critical investments in affordable housing, community development, small businesses, and disaster recovery efforts in low-income, rural, urban, native, and other communities. For every dollar invested, CDFIs generate at least eight dollars in private sector investment, demonstrating the Fund's measurable efficiency and impact.

CDFIs are relatively small financial institutions, with banks and credit unions holding less than $600 million in assets, and currently operate in all 50 states and in more than 90% of all congressional districts.[1] According to the latest data, CDFIs have issued more than 19 million loans totaling more than $300 billion.[2] The Fund has been particularly impactful in Ohio, facilitating nearly $3 billion in CDFI loans and more than $3.5 billion in New Markets Tax Credit (NMTC) investments across the state.[3]

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[1] Treasury, *CDFI Annual Certification and Data Collection Report (ACR): A Snapshot for Fiscal Year 2023* (Dec. 2024).
[2] *Id.*
[3] Treasury, *State Result: Impact Data for Ohio* (accessed Oct. 20, 2025).

Given the Fund's established success and the pivotal role that CDFIs play in red and blue districts alike, it has historically enjoyed broad bipartisan support, as demonstrated by the Senate CDFI Caucus chaired by Senators Mike Crapo and Mark Warner, consistent bipartisan appropriations requests for the Fund, and continuous execution of the Fund's programs across Republican and Democratic Administrations. Notably, in March 2020, Congress agreed to a historic $3 billion investment in the Fund that passed with overwhelming bipartisan support and was signed into law by President Trump. Secretary Bessent directly acknowledged the importance of the Fund in a March statement recognizing the "statutory" nature of the Fund's programs and crediting CDFIs as a "key component of President Trump's commitment to supporting Main Street America in the pursuit of job growth, wealth creation, and prosperity."[4]

Despite the Fund's historic bipartisan support and proven effectiveness, President Trump has made several attempts to undermine the Fund and is now using the government shutdown as cover to unlawfully fire all Fund staff, rendering it unable to fulfill its statutory obligations. On March 14, 2025, the President issued an executive order directing that the Fund be "eliminated to the maximum extent consistent with applicable law."[5] On May 2, 2025, the Office of Management and Budget issued President Trump's Fiscal Year 2026 budget proposal, which included a proposal to largely wind down the CDFI Fund by eliminating its discretionary awards.[6] Finally, on October 10, 2025, just days into the federal government shutdown, reports indicated that all CDFI Fund staff within the Treasury Department were issued permanent reduction-in-force orders, effective December 13, 2025.[7]

Leaving the Fund without any staff to carry out its congressionally mandated statutory requirements is not only unconstitutional but also severely detrimental to hardworking American families that rely on CDFIs for access to capital and other resources. Abruptly shuttering the Fund threatens to undo all the gains achieved by the program in recent years and will only serve to limit access to affordable credit, small business loans, and mortgages for rural families, low-income households, and first-time homebuyers. It will also have broad economic consequences, contracting small business growth and job creation, restricting affordable housing projects and community development, and weakening private sector investment in underserved markets.

For the reasons outlined above, we urge the Administration to immediately rescind its reduction-in-force orders for all CDFI Fund employees and return to administering the Fund as statutorily mandated. Thank you for consideration of our request.

Sincerely,

[4] ABA Banking Journal, *Bessent: Trump Administration Recognizes CDFI Fund's 'Important Role' in Communities* (Mar. 18, 2025).
[5] White House, *Continuing the Reduction of the Federal Bureaucracy* (Mar. 14, 2025).
[6] White House, *Fiscal Year 2026 Discretionary Budget Request* (May 2, 2025).
[7] Claire Williams, *Exclusive: Trump Admin Lays Off Treasury CDFI Staff*, American Banker (Oct. 10, 2025).

Joyce Beatty
Member of Congress

Marcy Kaptur
Member of Congress

Greg Landsman
Member of Congress

Emilia Strong Sykes
Member of Congress

Shontel M. Brown
Member of Congress