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UNITED STATES
HOUSE OF REPRESENTATIVES

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CONGRESSIONAL NATIVE AMERICAN CAUCUS

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

The Honorable Russell Vought
Director
Office of Management and Budget
Executive Office of the President
725 17th Street NW
Washington, DC 20503

March 28, 2025

Dear Secretary Bessent and Director Vought:

I write to express my serious concern regarding the President's Executive Order titled "Continuing the Reduction of the Federal Bureaucracy."¹ This Executive Order calls for the elimination of non-statutory components or functions of several government entities, including the Community Development Financial Institutions (CDFI) Fund. The Executive Order also urges agencies to limit staffing to statutorily authorized activities. The CDFI Fund's programs are authorized in statute and proposed actions to undermine this critical work will directly impact the economic well-being of my constituents. I oppose any efforts to weaken or reduce the operational capacity of the CDFI Fund, including a reduction in workforce or impoundment of appropriations for the CDFI Fund.

The CDFI Fund was established by Congress in the *Riegle Community Development and Regulatory Improvement Act of 1994* (Pub. L. 103-325) to promote economic development in distressed urban and rural communities. Over the past thirty years, the CDFI fund has proved to be a model of effective public private partnership. It is estimated that every \$1 awarded from the CDFI Fund spurs \$8 in private investment.² CDFIs leverage capital from the CDFI Fund to catalyze investment—across the entire country—that grows our small businesses, develops housing units, increases access to financial services, and creates jobs. That is not "unnecessary bureaucracy." It is a powerful return on federal investment.

There are over forty certified CDFIs in Minnesota who provide community development opportunities across the entire state, throughout the Twin Cities metro area, Minnesota's tribal nations, and rural Minnesota. Minnesota CDFIs have helped finance nearly 16,000 small and micro businesses, have created over 37,000 affordable housing units, and have created or retained over

¹ White House, [Continuing the Reduction of the Federal Bureaucracy](#) (Mar. 14, 2025)

² Opportunity Finance Network, [OFN Statement on Executive Order and Potential Threats to the CDFI Fund](#) (Mar. 15, 2025)

196,000 jobs.³ This executive order would threaten the work of CDFIs in my district, and their ability to help drive economic development.

As Co-Chair Emeritus of the Congressional Native American Caucus, I am deeply concerned about how this Executive Order will impact the Native CDFIs that serve our tribal communities, including the 11 tribal nations in Minnesota. Native American nations and communities face unique challenges to economic growth such as lack of access to capital and credit. That is why the CDFI Fund Native Initiatives are so essential. Native CDFIs leverage capital from the CDFI Fund to generate economic opportunity in the low-income communities of tribal nations and other native communities.⁴ For many years, the federal government and the Department of the Treasury, specifically, has had a legacy of underinvesting in tribal economies and ignoring the needs of Indian Country. The Department cannot walk away from the efforts to correct that error now. I urge the Department to continue its work to uphold our treaty obligations and ensure that this Executive Order does not impact the important work that Native CDFIs perform.

CDFIs invest, lend, and deliver responsible, affordable financial products and services to the most economically burdened communities across the country. Let me be clear, any efforts to weaken the CDFI Fund will harm our economy. Weakening the CDFI Fund will harm existing and emerging small and micro businesses that use loans and investments from CDFIs to drive economic growth and create jobs in our communities. Additionally, Americans are spending far too much of their incomes on housing. This is a universal problem across urban, rural, and tribal communities. If the CDFI Fund is weakened, our communities will lose essential investments to build more affordable housing units, threatening the construction of these projects and the jobs they will create. Finally, CDFIs provide affordable financial products and services, often in areas where there is a lack of banking opportunities. If the CDFI Fund is weakened, access to these essential services will also be weakened.

I ask that you promptly update the Executive Order to exempt CDFIs and continue to oppose any efforts to weaken the CDFI Fund. I ask that you ensure staff have adequate resources to continue their work to maintain and expand the work of the CDFI Fund. I look forward to your prompt response and attention to this matter

Sincerely,

A handwritten signature in blue ink that reads "Betty McCollum". The signature is fluid and cursive, with the first name "Betty" and last name "McCollum" clearly legible.

Betty McCollum
Member of Congress

³ MN CDFI Coalition, [The Value and Impact of CDFIs in Minnesota](#)

⁴ Native CDFI Network and Oweesta Corporation, [Letter Opposing EO on CDFI Fund](#) (Mar. 18, 2025)

CC: The Honorable French Hill, Chairman, Committee on Financial Services
The Honorable Maxine Waters, Ranking Member, Committee on Financial Services
The Honorable Chuck Fleischmann, Chairman, Appropriations Committee Subcommittee on
Financial Services and General Government
The Honorable Steny Hoyer, Ranking Member, Appropriations Committee Subcommittee on
Financial Services and General Government
The Honorable Roger Williams, Chairman, Committee on Small Business
The Honorable Nydia Velazquez, Ranking Member, Committee on Small Business