

March 5, 2026

The Honorable Steve Daines
United States Senate
320 Hart Senate Office Building
Washington, DC 20510

The Honorable Mark Warner
United States Senate
703 Hart Senate Office Building
Washington, DC 20510

Dear Senator Daines and Senator Warner,

The American Bankers Association (ABA)¹ writes today in support of S. 3940, the Access to Fair Financing for Opportunity and Resilient Development (AFFORD) Act. This important legislation would strengthen the Community Development Financial Institutions (CDFI) Fund through added transparency, the expansion of responsible access to capital, and improvement of federal programs that support CDFIs. Community development financial institutions play a critical role in expanding economic opportunity in underserved rural, urban, and Native communities across the country. The measures included in this package will enhance oversight, improve the effectiveness of existing programs, and help ensure that CDFIs have the tools necessary to support sustainable community development.

The ABA commends your leadership in combining four individual bills in the AFFORD Act, each of which are aimed at strengthening the CDFI ecosystem. First, the legislation will ensure continued accountability and visibility into the operations and impact of the CDFI Fund by requiring the Secretary of the Treasury to testify annually before Congress concerning the operations of the Fund. Increased transparency will strengthen confidence in the program and provide policymakers with important insight into how CDFI investments are supporting communities and small businesses.

Second, the CDFI Bond Guarantee Program Improvement provision would extend authorization for the Bond Guarantee Program and make key improvements that broaden access to the program. Reducing the minimum loan size and removing the annual cap on guarantees will allow more CDFIs, including smaller institutions, to participate and support a wider range of community development projects. The program's structure, which operates without a taxpayer subsidy, makes it a powerful and efficient tool for mobilizing long-term private capital into underserved areas.

Third, the package would help strengthen liquidity options for mission-focused lenders by directing dividends from the Emergency Capital Investment Program to support the Section 113 liquidity enhancement pilot program authorized under the Riegle Act. Expanding access to liquidity facilities can help CDFIs increase lending capacity and better meet the needs of the communities they serve.

¹ The American Bankers Association is the voice of the nation's \$25.3 trillion banking industry, which is composed of small, regional and large banks that together employ over 2 million people, safeguard \$20.1 trillion in deposits and extend \$13.5 trillion in loans.



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Finally, the Native CDFI Relending Program provision would help expand homeownership opportunities, address persistent homeownership gaps, and expand access to responsible mortgage financing in Native communities. By building on an existing USDA pilot program, this section would leverage the expertise and local relationships of Native CDFIs across the country. Together, these provisions represent thoughtful, bipartisan efforts to strengthen the CDFI ecosystem and expand economic opportunity in communities that rely on mission-focused lenders.

Thank you for your leadership on these important issues. We look forward to continuing to work with you to support policies that promote financial inclusion, community development, and a strong banking system.

Sincerely,

A handwritten signature in cursive script that reads 'Kirsten Sutton'.