

CDFI Policy Update

October 2, 2026



FY25 CDFI Awards Obligated

- Last week, Treasury obligated awards for the FY 2025 CDFI and Native American CDFI Assistance (NACA) Programs and the FY 2026 Bank Enterprise Award (BEA) and Small Dollar Loan (SDL) Programs.
- The CDFI Fund also approved two applications for the Bond Guarantee Program on 9/30, hours before the deadline.
- ***This is a huge policy victory for the CDFI industry, our partners, and our congressional allies after over a year of intense advocacy.***
- Our work continues: OMB has still not apportioned funds for FY26 grants, the Capital Magnet Fund or Housing-FA awards.



Changing Certification Rules

- The CDFI Fund issued a Request for Comment on changes to the CDFI certification application.
- Comments are due **November 30, 2026.**
- **Proposed Changes**
 - Eliminating the Accountability section from the application.
 - Assessing accountability through financial products and services instead of board composition.
 - Ending eligibility for Target Markets based on race or ethnicity.
 - Adding questions on federal compliance and administrative proceedings



CDFI Fund Director Chris Miller

Lame Duck Decides FY27 Funds

- Congress has a busy lame duck session post-midterms.
- **FY27 Federal Funding**
 - CR funds the government through Dec. 11 at FY26 levels, extending expiring programs and authorities.
 - Likely to see another CR through beginning of 120th Congress but also a push to finish funding work in 2026.
 - Final FY27 appropriations shift to post-election.
 - House proposed \$276.6M for the CDFI Fund, Senate likely higher.
 - ROAD to Housing programs could also be funded.
 - Bipartisan pushback expected against Administration rescissions.
- **AFFORD Act**
 - Daines (R-MT) and Warner (D-VA) filed the AFFORD Act (S.3940) as an amendment to the must-pass 2027 NDAA; it includes the Scaling Community Lenders Act and Native CDFI Relending permanency, Bond Guarantee Improvement Act and CDFI Transparency Act. Currently at 53 cosponsors (35D/18R)
 - Senate inclusion is expected; CDFI groups are pressing for it in final negotiations with the House.

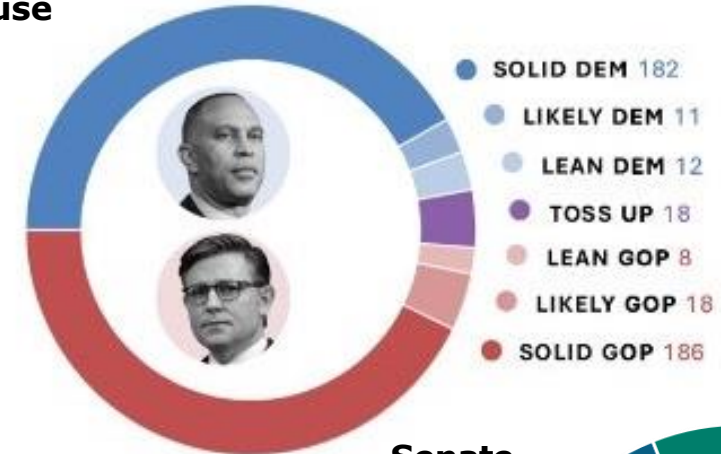


Over 80 Incumbents Exiting Will Reshape CDFI Priorities

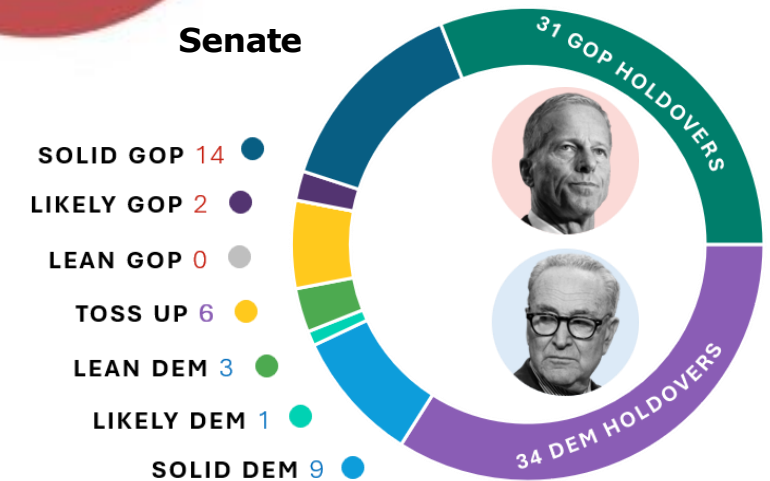
- Over 80 incumbents will not return to the House and Senate
- Turnover and shifts in the balance of power could impact CDFI priorities
 - Cultivating new champions
 - Transitioning committee leadership and staff
- Entering last two years of Trump Administration
- Save the Date:
 - OFN42: Oct. 20-23, New Orleans, LA
 - OFN's second annual Policy Summit:
 - Feb. 23-24, 2027, Washington, DC

Race Ratings, Cook Political Report

House



Senate



CRA Changes Put Bank-CDFI Partnerships at Risk



Business opportunities

- CDFIs are bank customers and business partners not just CRA recipients.
- CDFIs provide TA and bespoke support to borrowers to help them graduate into mainstream financial system, creating pipeline of future bank clients.
- Reduced incentives for partnerships could mean fewer opportunities for lending, investment, deposits, and other business.



Less flexibility in CRA strategy

- Banks have different business models, footprints, and strengths—from regional banks to institutions like UMB.
- Banks benefit from having multiple ways to meet community needs, including loans, investments, and grants.
- Changes that favor some activities over others could constrain banks' ability to build a CRA strategy around their own markets and expertise.



Uncertainty and disruption

- A more fractured framework across regulators could add complexity for institutions operating across jurisdictions.
- Repeated regulatory and political shifts create planning uncertainty and make long-term CRA strategies harder to execute and increase compliance costs from policies that swing from administration to administration.



Insufficient analysis-> unintended consequences

- CRA is consequential for banks and community development markets, warranting sufficient time for cost-benefit and operational analysis. A short rulemaking process increases the risk of unintended consequences.
- Risk of disrupting partnerships and strategies that are already working.

Submit a CRA Comment by Oct. 13

- ***Comments are due October 13, 2026.***
- Initiate conversations internally and with your partners:
 - For CDFIs, talk to your bank partners! How are they viewing and understanding their CRA obligations and where do CDFIs fit into that strategy
 - For banks, make an actionable commitment to your CDFI partners and communities that you will continue to do the work, regardless of CRA changes.
- Submit your own comment letter:
 - [Use our template letter as a foundation and the OFN CRA Risk Estimator](#)
 - Customize as much as possible using data, impact stories, and localized context about the populations you reach.
- Engage your local policymakers:
 - Encourage them to submit comments
 - Educate them on what's at stake in their constituency's communities
 - Especially important are the Senate CDFI Caucus members, House Financial Services Committee and the Senate Banking Committee