



April 17, 2020

Jodie Harris
Director
Community Development Financial Institutions (CDFI) Fund
U.S. Department of the Treasury
1500 Pennsylvania Ave. NW
Washington, DC 20220

Re: Request to Consider Expedited NOFA for \$5 million Loan Loss Reserve

Dear Jodie:

On behalf of the undersigned organizations we are writing to request that the Fund expedite the issuance of a NOFA for the \$5 million Small Dollar Loan Program, included in the CDFI Fund's 2020 fiscal year budget. The Small Dollar Loan Program (SDLP) is aimed at encouraging CDFIs to establish safe and affordable small dollar loan programs.

Given the COVID-19 pandemic and resultant economic disruption, many Americans are turning to payday lenders and other high-interest small dollar loan products to meet emergency expenses. As mission lenders, CDFIs can offer responsible alternatives. Implementing the CDFI Fund's SDLP as quickly as possible will allow more CDFIs the loan loss reserves required to develop and offer small dollar loans to their customers in the challenging months to come.

We also ask that there not be a minimum outstanding loan portfolio size requirement. This would exclude the new and emerging CDFIs, many of whom have direct experience in helping low- and moderate-income individuals build credit through the responsible provision of small dollar loans.

Many members of Credit Builders Alliance, Opportunity Finance Network and the CDFI Coalition have direct experience with offering responsible small dollar loan products. We stand ready to assist the CDFI Fund with any background information or other advice that would be helpful to you in standing up this program and issuing a NOFA as soon as possible.

Thank you,

Jennifer Vasiloff, OFN

Dara Duguay, CBA

Bob Rapoza, CDFI Coalition