



# Bois Forte

TRIBAL GOVERNMENT

March 27, 2025

The Honorable Amy Klobuchar  
United States Senate  
425 Dirksen Senate Building  
Washington, DC 20510

**SENT VIA ELECTRONIC MAIL**

The Honorable Tina Smith  
United States Senate  
720 Hart Senate Office Building,  
Washington, DC 20510

The Honorable Pete Stauber  
United States House of Representatives  
145 Cannon House Office Building  
Washington, DC 20515

Scott Bessent Secretary  
U.S. Department of the Treasury  
cora.alvi@treasury.gov

Alexandria Smith  
Deputy Assistant Secretary for Community and Economic Development  
U.S. Department of the Treasury  
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Pravina Raghavan  
CDFI Fund Director  
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**RE: Bois Forte Band of Chippewa's Opposition to Trump Executive Order "Continuing the Reduction of the Federal Bureaucracy" Targeting the CDFI Fund (March 14, 2025)**

Dear Treasury Secretary Bessent, Deputy Assistant Secretary Smith, Director Raghavan, Senator Klobuchar, Senator Smith, and Representative Stauber:

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Vacant  
Chairperson

Tara Geshick  
Secretary/Treasurer

Shane Drift  
District I Representative

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District I Representative

Robert Moyer  
District II Representative  
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On behalf of the Bois Forte Band of Chippewa, I am writing to express our grave concern about the Executive Order (EO) “Continuing the Reduction of the Federal Bureaucracy” issued by President Trump on Friday, March 14, 2025, which targets the elimination or reduction in operational scope of seven federal agencies and offices, notably the CDFI Fund.

We believe this EO does not and should not apply in any material way to the CDFI Fund given all the Fund’s basic functions are fully authorized through Congressional statute. Congress created the CDFI Fund in 1994 with broad bipartisan support through the Reigle Community Development Banking and Financial Institutions Act “to promote economic revitalization and community development through an investment and assistance program for community development financial institutions” (CDFIs). The Act also required the Fund to “conduct a study on lending and investment practices on Indian reservations and other land held in trust by the United States,” which found that 15% of Native communities were more than 100 miles from the nearest ATM or bank, and 86% of Native communities lacked a single financial institution within their borders.<sup>1</sup> According to the National Congress of American Indians, this state of affairs posed “a fundamental problem in accessing basic financial services, but perhaps more seriously, it makes access to financial education (e.g. basic financial literacy, homebuyer education, business training) and financial products (e.g. Individual Development Accounts, loans, checking and saving accounts, home and business loans) almost impossible to obtain.”<sup>2</sup>

In response, in 2001 the federal government created the Native Initiatives within the CDFI Fund – which includes the Native American CDFI Assistance (NACA) Program – to “generate economic opportunity for Native Communities by supporting the creation and expansion of Native CDFIs, which in turn help to create jobs, establish or improve affordable housing, and provide appropriate financial services and counseling within their communities.”<sup>3</sup> Every year since, Congress has appropriated funding for the NACA Program, spurring tremendous growth in the number of Native CDFIs and the breadth and diversity of the financial products and services they provide.

As a growing number of our Band members have personally experienced, Native CDFIs are providing an extraordinary return on this federal investment, transforming the economies of Native and surrounding communities in the process. For example, our Band members rely on Native CDFIs in our region to access capital for home purchases and home building. The Band has also relied on Native CDFIs for access to capital for critical land restoration efforts.

Simply put, Native CDFIs are among the most efficient and impactful financial institutions in the nation, stretching their limited resources to drive economic growth in areas where traditional banks have failed or not even bothered to invest in Tribal Nations and communities. In many important ways, Native CDFIs help the federal government fulfill its trust and treaty obligations to our Band and other Tribal Nations by fostering economic opportunity and growth in our communities. Consider:


- A total of 64 Treasury-certified Native CDFIs and more than two dozen “emerging” Native CDFIs across the country currently provide essential financial services such as small business development loans, home mortgage and repair loans, consumer loans, and credit repair to tens of thousands of Native people in areas of the country where traditional banks continue to be scarce or non-existent, including reservations and rural areas.
- The Native CDFI intermediary Oweesta Corporation, through the tracking of its loan portfolio, shows Native CDFIs have made more than 32,000 loans totaling over \$1 billion across Native communities over the past 25 years; meanwhile, Oweesta currently has *zero* non-performing loans in its \$61 million active loan portfolio.<sup>4</sup>
- According to the Treasury Department, investments made in CDFIs produce an eight-fold return, with each \$1 awarded creating \$8 in private sector investments.<sup>5</sup>
- CDFIs are also safe investments, with a default rate on their loans of 0.36% in 2023, roughly half the rate of traditional banks.<sup>6</sup>

These and other data points and stories of positive impact explain why Native and other CDFIs have long enjoyed bipartisan support among those in Congress. For example, the Community Development Finance Caucus created by Senators Mike Crapo (R-ID) and Mark Warner (D-VA) now counts more than a quarter of the Senate as members. In response to Friday's EO, Senators Crapo and Warner issued a statement reaffirming the bipartisan commitment of the Caucus to the CDFI Fund's mission "to promote access to capital in our most underserved urban and rural communities."

In closing, the Bois Forte Band of Chippewa categorically opposes any effort – through the application of this executive order or otherwise – to weaken or reduce the operational capacity of the CDFI Fund (through staffing cuts, for example) to administer the NACA Program, the New Market Tax Credits (NMTC) Program (which supports critical infrastructure development projects across Indian Country), and other key programs and activities in support of the difference-making work of the more than 90 other Treasury-certified and emerging Native CDFIs across the country. We also oppose any effort by the Trump Administration or members of Congress to reduce or eliminate funding for the NACA Program or allocation authority for the NMTC Program.

We look forward to discussing this matter with you further, and we trust you will do everything in your power to protect the CDFI Fund.

Sincerely,

DocuSigned by:  
  
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Shane Drift  
 Vice-Chairman  
 Bois Forte Reservation Tribal Council

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<sup>1</sup> National Congress of American Indians (NCAI), *NCAI Resolution #DEN-07-030: Support of Continued Funding for the Department of Treasury CDFI Fund's Native American Initiatives*, November 16, 2007, p. 1 (<https://ncai.assetbank-server.com/assetbank-ncai/action/viewAsset?id=2364&searchId=-1&index=0&total=13&view=viewSearchItem>).

<sup>2</sup> Ibid.

<sup>3</sup> CDFI Fund, *The CDFI Fund's Native Initiatives: Fostering Economic Self-Determination for Your Native Community*, Fact Sheet, February 2020 ([https://www.cdfifund.gov/sites/cdfi/files/documents/cdfi7205\\_fs\\_ni\\_updatedfeb20.pdf](https://www.cdfifund.gov/sites/cdfi/files/documents/cdfi7205_fs_ni_updatedfeb20.pdf)).

<sup>4</sup> Oweesta Corporation website, "Cumulative Community Impact" (<https://www.oweesta.org/>); Oweesta Corporation, *Oweesta Quarterly Report 2nd Quarter Fiscal Year 2025*, December 31, 2024.

<sup>5</sup> Treasury Secretary Janet Yellen (Native CDFI Network (NCN), *Native CDFIs: Stepping Up to Serve Indian Country Through the Pandemic and Beyond*, Native CDFI Network, July 2021, p. 1 (<https://nativecdfi.net/wp-content/uploads/2021/09/NCN-Pandemic-Report.pdf>).

<sup>6</sup> Opportunity Finance Network, "OFN Statement on Executive Order and Potential Threats to the CDFI Fund," March 15, 2025 (<https://www.ofn.org/news/ofn-statement-on-executive-order-and-potential-threats-to-the-cdfi-fund/>).