

## Summary of CU Strategic Planning's CDFI Advocacy Alert Webinar (March 17, 2025)

### **Key Participants:**

- Mike Beall (CXO, CU Strategic Planning)
- Stacy Augustine (CEO, CU Strategic Planning)
- John McKechnie (Lobbyist, John McKechnie LLC)

### **Main Topics Covered:**

#### **1. Government Shutdown Avoidance & CDFI Fund Status**

- The discussion opened with a recap of the recent avoidance of a government shutdown, which could have negatively impacted federal funding.
- CDFI Fund for FY 2025 was fully funded, despite close votes in the House.

#### **2. The Presidential Executive order (EO) targeting seven government agencies, including the CDFI Fund**

- The EO requires agencies to justify their statutory functions and recommend potential reductions in staff and activities.

#### **3. Potential Impact on the CDFI Fund**

- The Treasury Department must report on the EO's impact by March 21, 2025.
- The uncertainty lies in which programs within the CDFI Fund might be affected, especially the Financial Assistance (FA) and Technical Assistance (TA) programs. The financial assistance grants that CU Strategic Planning helps secure may be at risk.
- Statutory programs like the Capital Magnet Fund and New Markets Tax Credit are unlikely to be affected.
- Discussion about statutory versus non-statutory aspects of the CDFI Fund.

#### **4. Credit Union Advocacy Strategy**

- Action Plan:
  - Encourage credit unions to reach out to their representatives to advocate for the CDFI Fund's continued operation, particularly Congressional Republicans.
  - Engage with the Treasury Secretary and the White House to emphasize the CDFI Fund's importance.
  - Use local media and social media to highlight success stories of CDFI-certified credit unions.
- Why Republicans?
  - The House and Senate majorities currently shape budget decisions.
  - Key Republican figures such as Senator Tim Scott and Senator Mike Crapo have been involved in financial policy discussions.
  - Although CDFI programs have bipartisan support, getting Republican backing is critical for maintaining funding.

## 5. Showcasing Credit Union Impact

- Several credit unions were highlighted as examples of CDFIs making a difference, such as:
  - Southwest Louisiana Credit Union adding a branch and community health center.
  - Guardians Credit Union (Florida) helping an individual save \$489 per month on loan payments.
  - New Orleans Firemen’s Credit Union partnering with Catholic Charities.
- The panel emphasized that credit unions need to share their impact stories with legislators to demonstrate why the CDFI Fund is vital.

## 6. Addressing Audience Concerns

- Grant Applications: Ongoing applications for FY 2025 CDFI grants remain open and credit unions should continue their efforts.
- Certification Process: There is no immediate risk to the CDFI certification process, but future regulatory changes are possible.
- Existing Grant Funds: If a credit union has unclaimed funds from a previous grant, they should draw down those funds now rather than waiting.
- Clawbacks: The executive order does not currently indicate any plan to reclaim distributed funds.
- Worst-Case Scenario: The biggest risk is that the CDFI Fund’s grant programs may be reduced or eliminated in future budgets.

## 7. Next Steps for Credit Unions

- Immediate Action Needed before the Treasury’s March 21 deadline:
  - Call Congressional Representatives.
  - Contact the White House via email ([comments@whitehouse.gov](mailto:comments@whitehouse.gov)) and phone.
  - Engage with the Treasury Department to advocate for continued CDFI funding.
  - Leverage media and social media to highlight CDFI credit unions' contributions to communities.

## Final Thoughts

- The webinar closed with a call to action: “Tonight we ride”—credit unions must act quickly and decisively to protect the CDFI Fund.
- CU Strategic Planning is preparing sample letters, fact sheets, and impact data to assist credit unions in advocacy efforts.

[For more complete information, view the webinar recording and download the presentation slides.](#)