



**DCUC**  
DEFENSE CREDIT UNION COUNCIL

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**Jason Stverak**  
Chief Advocacy Officer

**August 26, 2025**

**The Honorable Steve Daines**

United States Senate  
320 Hart Senate Office Building  
Washington, DC 20510

**The Honorable Mike Rounds**

United States Senate  
716 Hart Senate Office Building  
Washington, DC 20510

**The Honorable Mark R. Warner**

United States Senate  
703 Hart Senate Office Building  
Washington, DC 20510

**The Honorable Tina Smith**

United States Senate  
720 Hart Senate Office Building  
Washington, DC 20510

Dear Senators Daines, Rounds, Warner, and Smith,

On behalf of the Defense Credit Union Council (DCUC) our 200 members representing over 40 million Americans, I am writing to express our strong support for the bipartisan amendment you have sponsored to include key Community Development Financial Institution (CDFI) Fund measures in the Fiscal Year 2026 National Defense Authorization Act (NDAA). This amendment would attach the CDFI Fund Transparency Act, the CDFI Bond Guarantee Improvement Act of 2025, and the Scaling Community Lenders Act to the NDAA, forming a broad package to aid CDFIs. Collectively, these measures seek to expand transparency, access, and resources for CDFIs while strengthening oversight and accountability. For example, the CDFI Bond Guarantee Improvement Act proposes to lower loan minimums and remove guarantee caps in the bond program so that smaller and rural CDFIs (including many credit unions) can secure more stable funding for community projects. We commend your leadership in advancing this important amendment and firmly believe it aligns with our mission to serve those who serve our country.

**The CDFI Fund's Importance to Military Communities:** For over three decades, the CDFI Fund has empowered mission-driven institutions – including nearly 500 credit unions – to deliver critical financial services in underserved communities, many of them near military bases. Through CDFI support, defense-focused credit unions have opened branches in financial deserts, provided small-dollar emergency loans to military families, offered financial literacy programs, and invested in local economic development. Junior enlisted personnel, who often meet the Fund's criteria for "Low-Income Targeted Populations," rely heavily on CDFI-backed programs for accessible, affordable financial services. In short, the CDFI Fund has been a lifeline for

*Serving Those Who Serve Our Country*

military members and their families by enabling credit unions to expand access to fair and affordable financial products in areas where traditional banking is scarce.

**Proven Impact on Underserved Communities:** The track record of the CDFI program demonstrates why your NDAA amendment is so vital. In FY2024 alone, CDFI Fund awardees financed over 109,000 small businesses and supported more than 45,000 affordable housing units, channeling \$24 billion into underserved areas. These investments help veteran entrepreneurs launch businesses, assist military families in buying homes, and counter the harmful impacts of predatory lending in our communities. Every federal dollar invested in the CDFI Fund attracts significant private capital – CDFIs typically leverage at least \$8 of private financing for every \$1 of federal grant, and credit unions often achieve as much as a 12:1 leverage. This remarkable multiplier means that strengthening the CDFI Fund yields outsized returns in community lending and development. By including the above measures in the NDAA, Congress will bolster a program with a proven ability to turn limited public funds into far greater economic opportunity for disadvantaged urban and rural communities.

**Advancing Financial Readiness and National Security:** For defense credit unions, supporting CDFIs is not only about community development – it directly underpins the financial readiness of our servicemembers. Frequent relocations, deployment-related expenses, and low starting pay grades leave many military families under financial strain. CDFI-funded programs have helped tens of thousands of military members build credit, avoid high-cost debt traps, and achieve greater financial stability. We firmly believe that the well-being of our troops begins at home; **financial readiness is mission readiness**. By ensuring CDFI credit unions can continue offering safe, affordable financial services to junior enlisted troops and veterans, your amendment contributes to mission preparedness and unit readiness across our Armed Forces. Conversely, if the CDFI Fund were to be weakened or under-resourced, it would threaten the home-front financial well-being of military families and ultimately our military’s overall readiness. In this sense, your advocacy for CDFIs in the NDAA is also advocacy for our national security. DCUC greatly appreciates your recognition that supporting financially secure military communities is integral to a strong defense.

**Timely Action Amid Threats to the CDFI Fund:** Your bipartisan effort comes at a pivotal moment. Earlier this year, the CDFI Fund faced grave threats of funding cuts and program rollback. A March 2025 executive order directed the Treasury to eliminate non-statutory CDFI programs, creating uncertainty and putting crucial funding on hold. DCUC sounded the alarm that slashing the CDFI Fund would “**push military families back toward predatory lenders and stall decades of progress in financial inclusion**”, with devastating impacts on small businesses and vulnerable communities. Indeed, the cost of undermining the Fund far outweighs any short-term savings – it would “**squander decades of investment in economic revitalization and financial readiness for those who serve our country**”. Your amendment sends a clear, positive message that Congress stands with CDFIs and will not allow such setbacks to harm our nation’s heroes or undo the progress made in underserved areas. By increasing transparency and improving CDFI programs, this legislation will help prevent future disruptions and ensure CDFI resources are deployed efficiently and predictably to the communities that need them most.

In summary, the Defense Credit Union Council strongly supports the inclusion of your bipartisan CDFI Fund amendment in the NDAA. This initiative will reinforce and protect a program that has long enjoyed broad bipartisan support as a catalyst for economic opportunity. It will empower military-affiliated credit unions and other CDFIs to continue their vital work serving low-income and underserved populations, from inner cities to remote rural towns. **Now is the time to come together to protect and strengthen the CDFI Fund's vital mission, ensuring it continues to uplift lives and drive economic growth where it's needed most.** DCUC stands ready to work with you and your colleagues to safeguard this lifeline for current and future generations. We are grateful for your leadership in championing CDFIs, and we urge swift passage of this amendment for the benefit of our military communities and the nation as a whole.

Thank you for your consideration and for your steadfast support of America's servicemembers and underserved communities. Should you require any additional information or assistance from the defense credit union community, please do not hesitate to reach out. DCUC and our member credit unions remain at your service as partners in this advocacy effort.

If you have any questions, please do not hesitate to email me at [jstverak@dcuc.org](mailto:jstverak@dcuc.org) or contact me via the phone at 202.557.8528.

Sincerely,



Jason Stverak  
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