

118TH CONGRESS  
1ST SESSION

# S. 869

To amend the Community Development Banking and Financial Institutions Act of 1994 to reauthorize and improve the community development financial institutions bond guarantee program, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 16, 2023

Ms. SMITH (for herself, Mr. ROUNDS, Ms. LUMMIS, Mr. DAINES, Mr. MORAN, Ms. KLOBUCHAR, Mr. MENENDEZ, and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To amend the Community Development Banking and Financial Institutions Act of 1994 to reauthorize and improve the community development financial institutions bond guarantee program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “CDFI Bond Guarantee  
5 Program Improvement Act of 2023”.

1 **SEC. 2. SENSE OF CONGRESS.**

2 It is the sense of Congress that the authority to guar-  
 3 antee bonds under section 114A of the Community Devel-  
 4 opment Banking and Financial Institutions Act of 1994  
 5 (12 U.S.C. 4713a) (commonly referred to as the “CDFI  
 6 Bond Guarantee Program”) provides community develop-  
 7 ment financial institutions with a sustainable source of  
 8 long-term capital and furthers the mission of the Commu-  
 9 nity Development Financial Institutions Fund (established  
 10 under section 104(a) of such Act (12 U.S.C. 4703(a)) to  
 11 increase economic opportunity and promote community  
 12 development investments for underserved populations and  
 13 distressed communities in the United States.

14 **SEC. 3. GUARANTEES FOR BONDS AND NOTES ISSUED FOR**  
 15 **COMMUNITY OR ECONOMIC DEVELOPMENT**  
 16 **PURPOSES.**

17 (a) IN GENERAL.—Section 114A of the Community  
 18 Development Banking and Financial Institutions Act of  
 19 1994 (12 U.S.C. 4713a) is amended—

20 (1) in subsection (c)(2), by striking “, multi-  
 21 plied by an amount equal to the outstanding prin-  
 22 cipal balance of issued notes or bonds”;

23 (2) by amending subsection (e)(2) to read as  
 24 follows:

25 “(2) LIMITATION ON GUARANTEE AMOUNT.—

26 The Secretary may not guarantee any amount under

1 the program equal to less than \$25,000,000, but the  
2 total of all such guarantees in any fiscal year may  
3 not exceed \$1,000,000,000.”; and

4 (3) in subsection (k), by striking “September  
5 30, 2014” and inserting “the date that is 4 years  
6 after the date of enactment of the CDFI Bond  
7 Guarantee Program Improvement Act of 2023”.

8 (b) CLERICAL AMENDMENT.—The table of contents  
9 in section 1(b) of the Riegle Community Development and  
10 Regulatory Improvement Act of 1994 (Public Law 103–  
11 315; 108 Stat. 2160) is amended by inserting after the  
12 item relating to section 114 the following:

“Sec. 114A. Guarantees for bonds and notes issued for community or economic  
development purposes.”.

13 **SEC. 4. REPORT ON THE CDFI BOND GUARANTEE PRO-**  
14 **GRAM.**

15 Not later than 1 year after the date of enactment  
16 of this Act, and not later than 3 years after such date  
17 of enactment, the Secretary of the Treasury shall issue  
18 a report to the Committee on Banking, Housing, and  
19 Urban Affairs of the Senate and the Committee on Finan-  
20 cial Services of the House of Representatives on the effec-  
21 tiveness of the CDFI bond guarantee program established  
22 under section 114A of the Community Development Bank-

1 ing and Financial Institutions Act of 1994 (12 U.S.C.  
2 4713a).

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