



NCUA
National Credit Union Administration

Community Development Revolving Loan Fund Congressional Report

2022

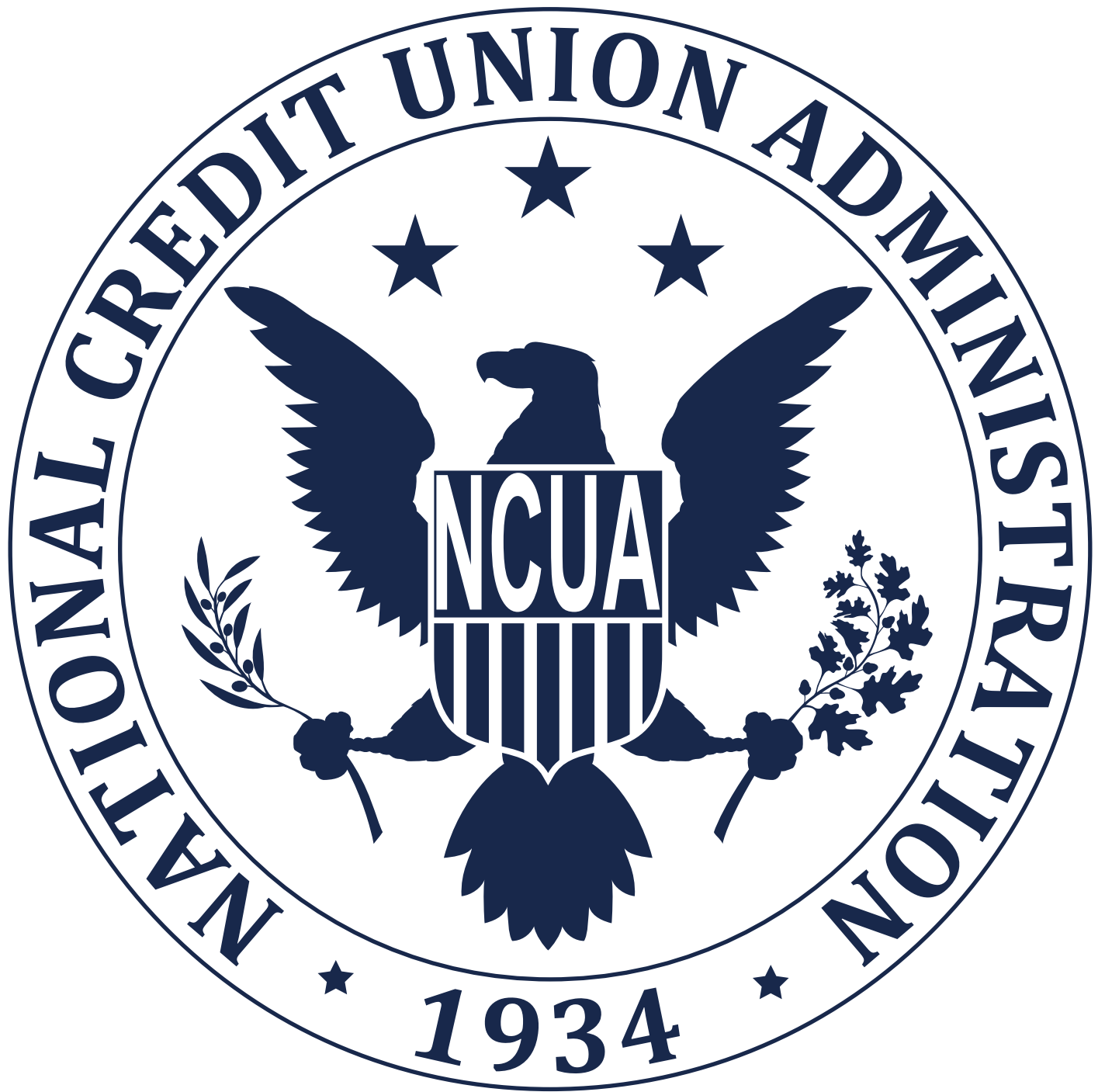


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Chairman's Message



Todd M. Harper
NCUA Chairman

In 1934, Congress established our national system of cooperative credit to assist Americans—especially those of modest means—in finding access to safe, fair, affordable, and insured financial products and services. Forty-five years later, Congress created the Community Development Revolving Loan Fund to invest resources that help eligible credit unions better serve low-income communities. Each year, the National Credit Union Administration informs Congress about the performance of the CDRLF, and the agency here submits its 2022 report.

CDRLF grants and loans have a strong track record of success as an effective, cost-efficient way to assist eligible credit unions, many of them small institutions serving people and communities who might otherwise go unserved.

Grant initiatives are approved by the NCUA Board and vary from year to year, though some are offered regularly. The NCUA in 2022 focused on serving smaller institutions, awarding grants in four categories: underserved outreach, digital services and cybersecurity, small and low-income mentoring programs, and training.

By combining the 2022 appropriation with a modest amount of remaining funds from previous years, the NCUA awarded 90 technical assistance grants totaling more than \$1.57 million. The awards had a broad reach: recipients were located in 43 states and the District of Columbia and served more than 530,000 members.

The impact of grant projects ranges from supporting community revitalization by filling funding gaps for small businesses to consumer education that assists members in better managing their finances and building credit. It also includes developing innovative online products to serve members who might otherwise be unable to visit a credit union branch. CDRLF grant funds circulate among credit union members and their communities, creating opportunities, expanding access, and providing greater financial security.

The NCUA does not use appropriated funds to administer the CDRLF; every penny of the annual appropriation goes to support the work of our credit union grantees.

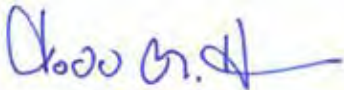
The trend of CDRLF grant requests surpassing the NCUA's capacity to make awards continued in 2022. Congress appropriated just over \$1.5 million for the 2022 CDRLF grant initiative, and the NCUA received 220 grant applications totaling \$4.7 million. While the number of individual funding requests was somewhat lower than in 2021, the amount of requested funding remained the same. The

NCUA provided awards to about four in 10 CDRLF technical assistance grant applicants and awarded about \$3.30 for every \$10 requested.

In recognition of this oversubscription and to promote greater financial security for families and communities, Congress increased the CDRLF appropriation to \$3.5 million for 2023. We are hopeful that, as credit unions expand their capacity and become even more innovative, lawmakers will provide additional resources in future years.

As always, I welcome the opportunity to discuss the CDRLF with you, and I encourage you to meet with the grantee credit unions in your states and districts to learn first-hand how you, through the CDRLF appropriation, are helping so many Americans improve their lives.

Thank you for your continued support.



Todd M. Harper
NCUA Chairman



Grant Activity Summary

Recent examples of projects CDRLF funding has made possible, and the significant impact they can have, include:

Expanding Access for the Underserved

- A marketing program that resulted in both membership and loan growth, particularly in low-income, minority-majority communities. The credit union made a strong effort to build awareness about financial services to first- and second-generation Hispanic households. Measured over a year, lending grew in two specific communities by 11 percent and 18 percent, respectively. Membership growth in the targeted areas proved to be faster than growth for the credit union's membership overall.
- A project that helped members in rural, low-income, underserved communities obtain credit they might have been refused otherwise. In one case, a member purchased a home; in another, the member started a coffee shop. In both instances, the only other available financial services made obtaining the needed credit too difficult and expensive. As a result, the credit union surpassed its original membership and loan growth goals.
- Online banking services, which have been enthusiastically received by members who are unable to come to a branch, either because they do not have transportation or are working multiple jobs. In one instance, a new online banking program helped a member manage finances for her mother, who was in an assisted living facility in another state.

Investing in Local Economies

- A “storefront revival program” aimed at assisting the community with revitalizing a declining retail area. One of its activities provided gap funding for expenses prospective business owners incurred while getting projects up and running. The program has garnered enthusiastic support from local businesses, and one community development officer said the program has “made a huge impact in a short period of time.”

Education and Building Financial Security

- A financial education and coaching program to help members manage their finances. In one instance, the credit union assisted a member who was on the verge of losing an apartment and facing the prospect living in her car. Her coach subsequently worked with her to establish a plan for stabilizing her finances.

- A partnership with a substance treatment, counseling, and training program to help people in recovery learn to control their finances and build credit. In one year, 13 individuals graduated from the program, and five became credit union members.

2022 Grant Awards Summary

The NCUA in 2022 offered technical assistance grants in four initiative categories:

- **Underserved Outreach (maximum award of \$50,000)**—Helping credit unions expand access to underserved communities and improve the financial well-being of their members.
- **Digital Services and Cybersecurity (maximum award of \$10,000)**—Supporting credit unions' efforts to modernize information and cybersecurity systems and better protect themselves and members from cyberattacks.
- **Small Credit Union Mentoring (maximum award of \$25,000)**—Matching small credit unions with credit unions who can serve as mentors to help build capacity and expand services.
- **Training (maximum award of \$5,000)**—Strengthening credit unions through succession planning, leadership development, staff education, and professional development.

The NCUA received 225 grant and loan applications totaling nearly \$5.8 million:

- 220 applications for technical assistance grants for a total of \$4.7 million.
- Three urgent need grant requests for a total of \$21,280.
- Two loan applications for \$1,000,000.

In 2022, the NCUA awarded:

- More than \$1.5 million in technical assistance grants to 90 eligible credit unions in 43 states and the District of Columbia. Individual grants ranged from \$1,400 to \$50,000. Twenty-eight credit unions were first-time grant recipients, and they were awarded more than \$450,000 in grants. Sixteen recipients were minority depository institution credit unions that received more than \$270,000 in grants.
- Four urgent need grants totaling \$29,000 to credit unions—two of them minority depository institutions—in three states. Credit unions used these grants to respond to natural disasters. These four awards included one urgent need grant request received in late 2021 that was awarded in 2022.
- One credit union received a CDRLF loan totaling \$500,000. The second loan application received in 2022 remained pending at the end of the year.

[Appendix 1](#) provides a list of 2022 CDRLF loan and grant recipients. [Appendix 2](#) provides charts showing state-by-state distribution of 2022 grant and loan funds in total dollar value of the awards and by the number of credit union awardees.

CDRLF Summary

Grants and loans supported by the NCUA’s CDRLF appropriation have a significant, positive impact on credit unions, their members, and their communities. Credit unions use these funds to improve and expand services and member outreach, which promotes greater financial inclusion, as well as in other areas like staff training and cybersecurity, enhancing overall safety and soundness.

Federal credit unions have been required to have the “low-income” designation under NCUA regulations to be eligible for CDRLF grants and loans. A state-chartered credit union must have the equivalent low-income designation from its respective state supervisory authority and the NCUA’s concurrence. In the FY 2023 Appropriations Act, Congress authorized minority depository institutions as eligible to apply for and receive CDRLF grants.

Per [NCUA regulations](#), a low-income credit union is one in which more than half of its members meet the NCUA definition for a “low-income member,” defined as someone who earns 80 percent or less of the median family income for the metropolitan area where they live or the national metropolitan area, whichever is greater.

To [qualify for MDI certification](#), a credit union must be a federally insured institution that has a majority of its current members, its board members, and the community it serves, as designated in its charter, fall within any of the eligible minority groups defined by federal law: Black American, Asian American, Hispanic American, or Native American.

The pool of eligible credit unions is deep. At the end of 2022, 2,612 federally insured, low-income-designated credit unions—more than half of all federally insured credit unions—served more than 70 million members throughout the United States, Puerto Rico, Guam, the U.S. Virgin Islands, and military bases worldwide. There were 503 credit unions certified as MDIs, 411 of them also designated as low-income credit unions.

Grant Initiative Components

The NCUA’s CDRLF grant initiative has three parts:

- **Technical assistance grants**—Awarded in one or two rounds each year to support initiatives approved by the NCUA Board.
- **Low-interest loans**—Available year-round, also for Board-approved initiatives.

- **Urgent need grants**—Available throughout the year to assist credit unions that experience sudden and unexpected losses that curtail services, most frequently the result of a natural disaster.

Funding Structure

Congress has appropriated \$27.345 million for CDRLF technical assistance grants since 2001. Annual appropriations have varied in size from year to year. Grant awards are made to credit unions for eligible project expenses and distributed on a year-to-year reimbursable basis once projects are completed. At the end of a project, the NCUA may repurpose funds not reimbursed to the grant recipient for use in future grant rounds.

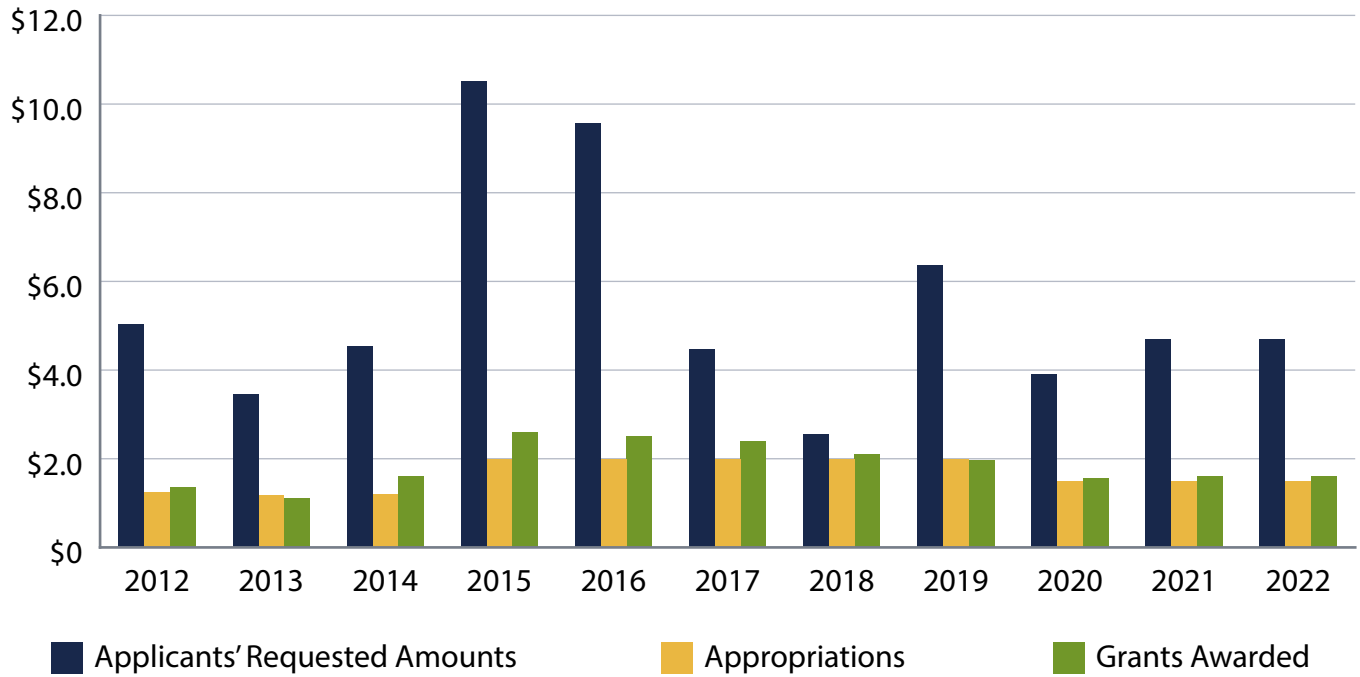
CDRLF loans are funded by the NCUA’s management of principal payments on existing loans, which maximizes the economic impact of this revolving loan initiative. Between 1979 and 2005, Congress provided varying annual appropriations for the CDRLF loans, totaling \$13.4 million over that period. As of December 31, 2022, the CDRLF had \$4.5 million in outstanding loans to credit unions.

Urgent need grants are funded from interest collected by the NCUA from payments made by credit unions on CDRLF loans.

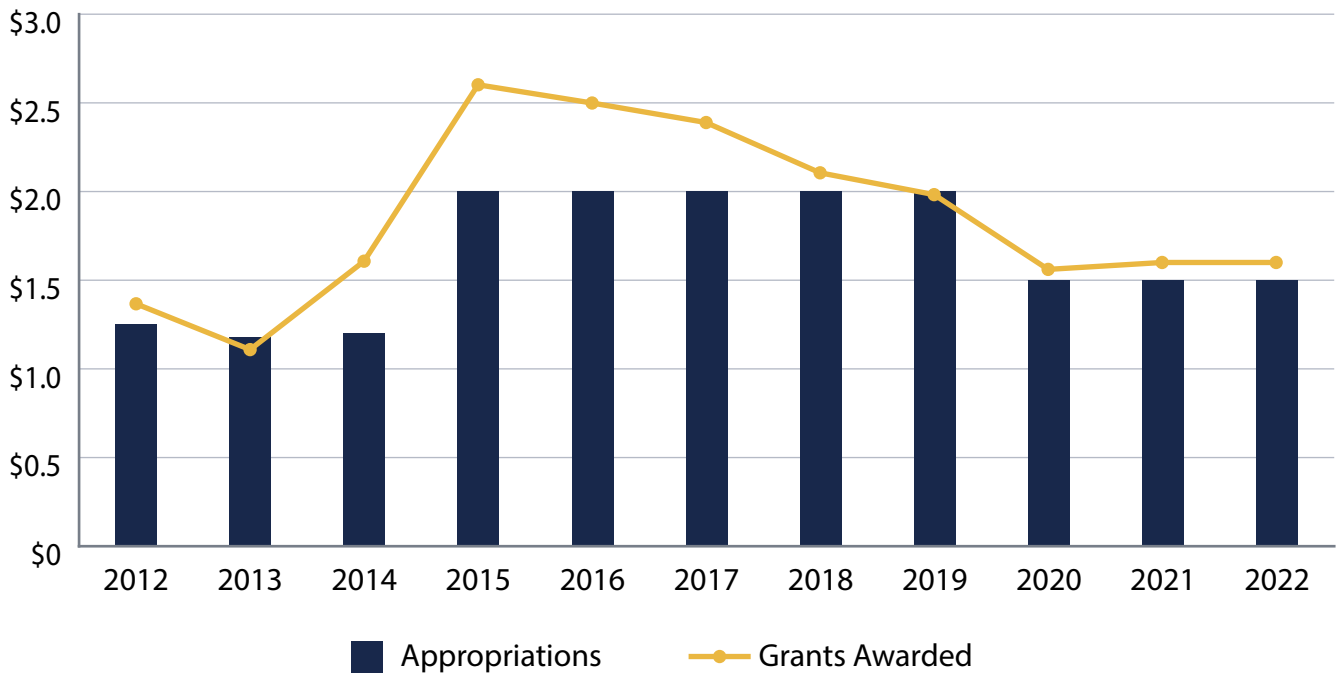
The NCUA does not use appropriated funds to administer the CDRLF. A 2022 financial statement audit of the Fund resulted in an unmodified, or “clean,” report and [is available from the agency’s Office of the Inspector General](#).

The first chart below shows grant requests, appropriations, and grant awards from fiscal years 2012 to 2022. The second chart compares CDRLF appropriations to grants awarded in the same period. In some years, the “Grants Awarded” figure may be slightly higher than the “Appropriations” figure due to re-awarding recovered funds from the previous fiscal year.

Millions of Dollars



Millions of Dollars



CDRLF Purpose and History

Congress created the CDRLF to stimulate economic development in low-income communities served by credit unions. Grants and loans funded by CDRLF appropriations assist credit unions in expanding financial inclusion by providing greater access to safe, fair, affordable, and insured financial products services, which, in turn, bolsters members' financial security and supports local economies.

The National Credit Union Administration is the independent federal agency that charters and supervises federal credit unions. The NCUA's Office of Credit Union Resources and Expansion is charged with administering the CDRLF. [Part 705 of the NCUA's Rules and Regulations](#) describes the CDRLF's objectives and operating principles.

Congress in 1979 established the CDRLF for credit unions through a \$6 million appropriation to stimulate economic development in low-income communities.¹ The NCUA and the Community Services Administration jointly adopted Part 705 of the NCUA's Rules and Regulations governing the administration of CDRLF in 1980 but did not immediately commence lending activity. Upon the dissolution of the Community Services Administration in 1983, the Department of Health and Human Services assumed the CDRLF's administration and issued a new regulation implementing the program.² The regulation was codified as 45 CFR Part 1076 and applied to loans made after November 23, 1983. Because the Department of Health and Human Services never promulgated final regulations governing the administration of CDRLF, the program went dormant.

The Community Development Credit Union Revolving Loan Fund Transfer Act of 1986 returned the administration of CDRLF to the NCUA.³ The NCUA Board adopted amendments to Part 705 of the NCUA's Rules and Regulations and began making loans to participating credit unions in 1990.

1 Public Law No. 96-123, § 101(g), 93 Stat. 925 (Nov. 20, 1979) (adopting appropriations as provided for in H.R. 4389 as passed by the House on Aug. 2, 1979).

2 48 Fed. Reg. 53560 (Nov. 28, 1983).

3 Public Law No. 99-609, 100 Stat. 3475 (Nov. 6, 1986).

Appendix 1: List of 2022 Grant Awardees

Credit Union Name	Charter	Initiative	City	State	Amount Approved
AOD	6680	Digital Services & Cybersecurity	Bynum	AL	\$10,000.00
SIXTH AVENUE BAPTIST	15938	Digital Services & Cybersecurity	Birmingham	AL	\$10,000.00
BIRMINGHAM CITY	64528	Underserved Outreach	Birmingham	AL	\$50,000.00
ARKANSAS TEACHERS	24433	Digital Services & Cybersecurity	Little Rock	AR	\$9,280.00
NATURAL STATE	24432	Digital Services & Cybersecurity	Searcy	AR	\$3,932.00
EAST COUNTY SCHOOLS	11099	Digital Services & Cybersecurity	El Cajon	CA	\$10,000.00
AVENTA	62755	Underserved Outreach	Colorado Springs	CO	\$50,000.00
NORTHERN COLORADO	65775	Digital Services & Cybersecurity	Greeley	CO	\$8,700.00
FRANKLIN TRUST	12	Digital Services & Cybersecurity	Hartford	CT	\$7,000.00
BAY	63262	Training	Panama City	FL	\$5,000.00
MEMORIAL EMPLOYEES	20468	Digital Services & Cybersecurity	Hollywood	FL	\$10,000.00
FINANCIAL ACCESS	12238	Underserved Outreach	Bradenton	FL	\$50,000.00
FLORIDA A & M UNIVERSITY	187	Digital Services & Cybersecurity	Tallahassee	FL	\$10,000.00
UNITY OF EATONVILLE	24935	Urgent Need Grant	Maitland	FL	\$7,500.00
ONOMEA	3050	Digital Services & Cybersecurity	Papaikou	HI	\$10,000.00
SCHOFIELD	7423	Training	Wahiawa	HI	\$5,000.00
HOTEL AND TRAVEL INDUSTRY	9115	Training	Honolulu	HI	\$5,000.00

Credit Union Name	Charter	Initiative	City	State	Amount Approved
ELCA	24866	Digital Services & Cybersecurity	Chicago	IL	\$10,000.00
PROFINANCE	2711	Digital Services & Cybersecurity	Merrillville	IN	\$10,000.00
NORTHPARK COMMUNITY	60251	Underserved Outreach	Indianapolis	IN	\$50,000.00
NATCO	65208	Training	Richmond	IN	\$3,915.00
GARY FIREFIGHTERS ASSOCIATION	169	Digital Services & Cybersecurity	Gary	IN	\$3,588.00
HUNTINGTON COUNTY	16171	Digital Services & Cybersecurity	Huntington	IN	\$10,000.00
HEALTH CARE PROFESSIONALS	22213	Digital Services & Cybersecurity	Richmond	IN	\$10,000.00
HARVESTER FINANCIAL	68584	Underserved Outreach	Indianapolis	IN	\$50,000.00
FINANCIAL HEALTH	20793	Underserved Outreach	Indianapolis	IN	\$47,000.00
FREEDOM 1ST	11643	Digital Services & Cybersecurity	McConnell AFB	KS	\$10,000.00
MSU	22978	Digital Services & Cybersecurity	Murray	KY	\$6,378.00
S E L H	10509	Urgent Need Grant	Mandeville	LA	\$6,280.50
UNO	20842	Urgent Need Grant	New Orleans	LA	\$7,500.00
ANECA	3212	Loan	Shreveport	LA	\$500,000.00
VALEX	6116	Digital Services & Cybersecurity	Tioga	LA	\$10,000.00
CALCASIEU TEACHERS AND EMPLOYEES	63142	Training	Lake Charles	LA	\$4,500.00
SOUTHERN TEACHERS & PARENTS	2068	Training	Baton Rouge	LA	\$5,000.00

Credit Union Name	Charter	Initiative	City	State	Amount Approved
THE NEW ORLEANS FIREMEN'S	6	Underserved Outreach	Metairie	LA	\$50,000.00
FRANKLIN FIRST	12604	Training	Greenfield	MA	\$2,475.00
BEVERLY MUNICIPAL	24192	Digital Services & Cybersecurity	Beverly	MA	\$10,000.00
SANTO CRISTO	9822	Loan	Fall River	MA	\$250,000.00
BEE	9893	Digital Services & Cybersecurity	Salisbury	MD	\$1,400.00
W S S C	16268	Digital Services & Cybersecurity	Laurel	MD	\$10,000.00
CENTRAL CREDIT UNION OF MARYLAND	66340	Digital Services & Cybersecurity	Baltimore	MD	\$10,000.00
COMMUNITY	63447	Digital Services & Cybersecurity	Lewiston	ME	\$10,000.00
UNITED BAY COMMUNITY	61186	Underserved Outreach	Bay City	MI	\$15,000.00
EASTPOINTE COMMUNITY	60124	Digital Services & Cybersecurity	Eastpointe	MI	\$10,000.00
FERGUSON	18515	Underserved Outreach	Monticelle	MS	\$50,000.00
THE FAMILY FIRST	11364	Training	Great Falls	MT	\$5,000.00
GRASSLANDS	11030	Underserved Outreach	Circle	MT	\$47,168.00
MONTANA EDUCATORS'	68190	Digital Services & Cybersecurity	Missoula	MT	\$10,000.00
NORTH CAROLINA COMMUNITY	12004	Digital Services & Cybersecurity	Goldsboro	NC	\$10,000.00
RAILWAY	60787	Digital Services & Cybersecurity	Mandan	ND	\$10,000.00
1ST BERGEN	24810	Underserved Outreach	Hackensack	NJ	\$50,000.00
JERSEY CENTRAL	2493	Digital Services & Cybersecurity	Cranford	NJ	\$10,000.00

Credit Union Name	Charter	Initiative	City	State	Amount Approved
JEMEZ VALLEY	62637	Digital Services & Cybersecurity	Jemez Springs	NM	\$10,000.00
SAINT LAWRENCE	9871	Underserved Outreach	Ogdensburg	NY	\$50,000.00
CHURCH OF THE MASTER	5127	Digital Services & Cybersecurity	New York	NY	\$7,000.00
ROCKLAND EMPLOYEES	15080	Digital Services & Cybersecurity	Spring Valley	NY	\$10,000.00
SYRACUSE COOPERATIVE	23865	Small LICU Mentoring	Syracuse	NY	\$25,000.00
ST. JOSEPHS CANTON PARISH	4884	Digital Services & Cybersecurity	Canton	OH	\$7,500.00
TOLEDO URBAN	24578	Digital Services & Cybersecurity	Toledo	OH	\$10,000.00
EDUCATION FIRST	68447	Training	Columbus	OH	\$4,699.00
DN COMMUNITY	24720	Digital Services & Cybersecurity	Canton	OH	\$9,531.00
COMMODORE PERRY	21873	Digital Services & Cybersecurity	Oak Harbor	OH	\$10,000.00
BREWSTER	11445	Training	Brewster	OH	\$5,000.00
MINERVA AREA	20622	Underserved Outreach	Minerva	OH	\$14,320.00
ARBUCKLE	24843	Underserved Outreach	Ada	OK	\$50,000.00
FIRST OKLAHOMA	9090	Training	Tulsa	OK	\$5,000.00
MUSKOGEE	946	Digital Services & Cybersecurity	Muskogee	OK	\$10,000.00
CUTTING EDGE	8317	Training	Milwaukie	OR	\$5,000.00
SRU	12654	Underserved Outreach	Slippery Rock	PA	\$50,000.00
EAST END FOOD COOPERATIVE	24483	Digital Services & Cybersecurity	Pittsburgh	PA	\$10,000.00
ARC	11304	Digital Services & Cybersecurity	Altoona	PA	\$10,000.00

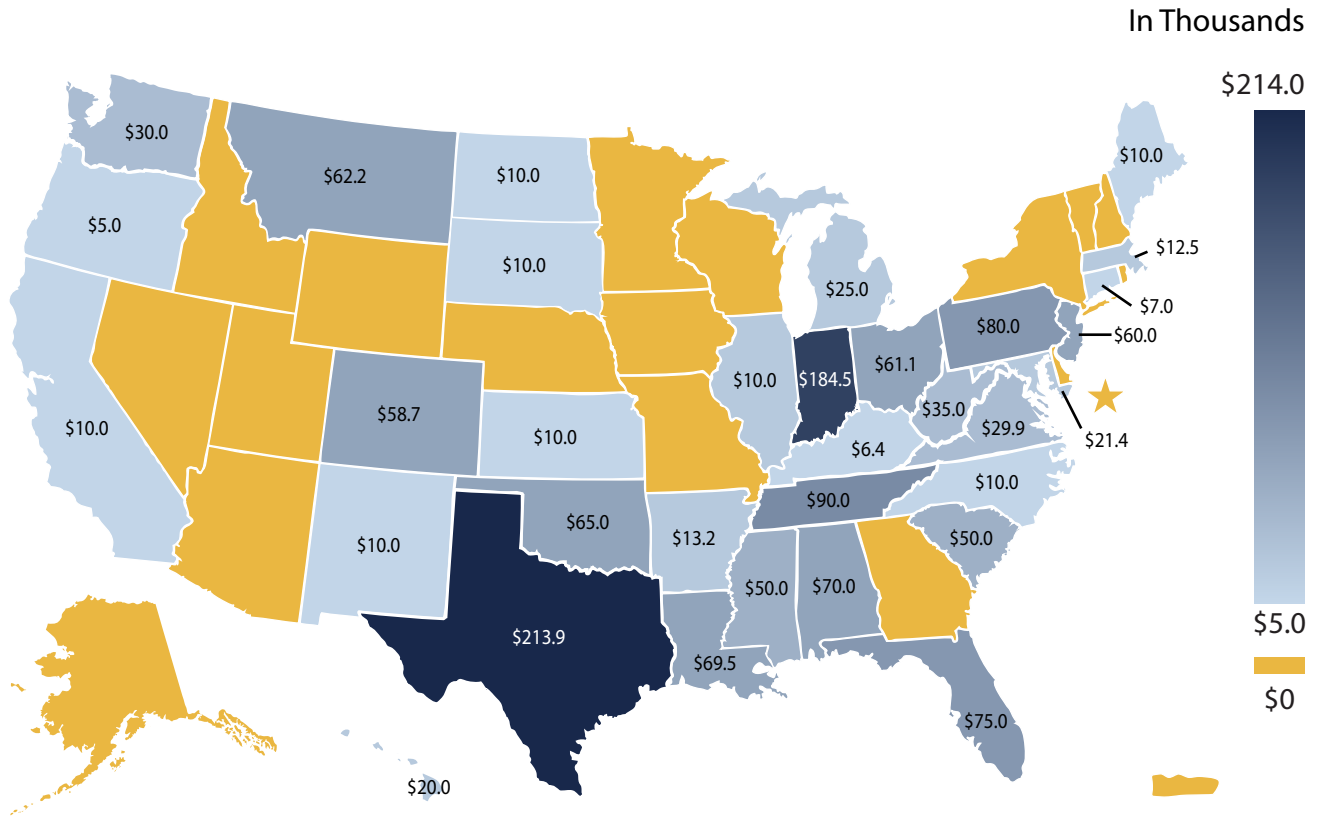
Credit Union Name	Charter	Initiative	City	State	Amount Approved
CLAIRTON WORKS	1646	Digital Services & Cybersecurity	Clairton	PA	\$10,000.00
NEIGHBORS UNITED	24851	Underserved Outreach	Greenwood	SC	\$50,000.00
EAST RIVER	11353	Digital Services & Cybersecurity	Madison	SD	\$10,000.00
COPPER BASIN	16773	Underserved Outreach	Copperhill	TN	\$50,000.00
TSU	6667	Small LICU Mentoring	Nashville	TN	\$25,000.00
EPB EMPLOYEES	60619	Digital Services & Cybersecurity	Chattanooga	TN	\$10,000.00
VERITAS	21354	Training	Smyrna	TN	\$5,000.00
CHEROKEE COUNTY	13591	Training	Rusk	TX	\$3,921.00
DOMINO	21383	Digital Services & Cybersecurity	Texarkana	TX	\$10,000.00
VATAT	67661	Digital Services & Cybersecurity	Austin	TX	\$10,000.00
RELYON	68325	Underserved Outreach	Dallas	TX	\$40,000.00
1ST UNIVERSITY	67483	Digital Services & Cybersecurity	Waco	TX	\$10,000.00
MEMBERS FINANCIAL	4020	Digital Services & Cybersecurity	Midland	TX	\$10,000.00
MID-TEX	24454	Underserved Outreach	Brownwood	TX	\$50,000.00
EDUCATION	67494	Underserved Outreach	Amarillo	TX	\$50,000.00
PORT ARTHUR COMMUNITY	7023	Underserved Outreach	Port Arthur	TX	\$30,000.00
RVA FINANCIAL	6878	Digital Services & Cybersecurity	Richmond	VA	\$10,000.00
RICHMOND HERITAGE	1282	Digital Services & Cybersecurity	Richmond	VA	\$9,856.00

Credit Union Name	Charter	Initiative	City	State	Amount Approved
VIRGINIA EDUCATORS CREDIT UNION	66700	Digital Services & Cybersecurity	Newport News	VA	\$10,000.00
SPOKANE MEDIA	24451	Digital Services & Cybersecurity	Spokane	WA	\$10,000.00
PRIMESOURCE	67911	Digital Services & Cybersecurity	Spokane	WA	\$10,000.00
EVERGREENDIRECT	68546	Digital Services & Cybersecurity	Tumwater	WA	\$10,000.00
MINT VALLEY	1827	Urgent Need Grant	Longview	WA	\$7,500.00
BERKELEY COUNTY PUBLIC SCHOOLS	21499	Digital Services & Cybersecurity	Martinsburg	WV	\$10,000.00
ROMNEY	10301	Small LICU Mentoring	Romney	WV	\$25,000.00

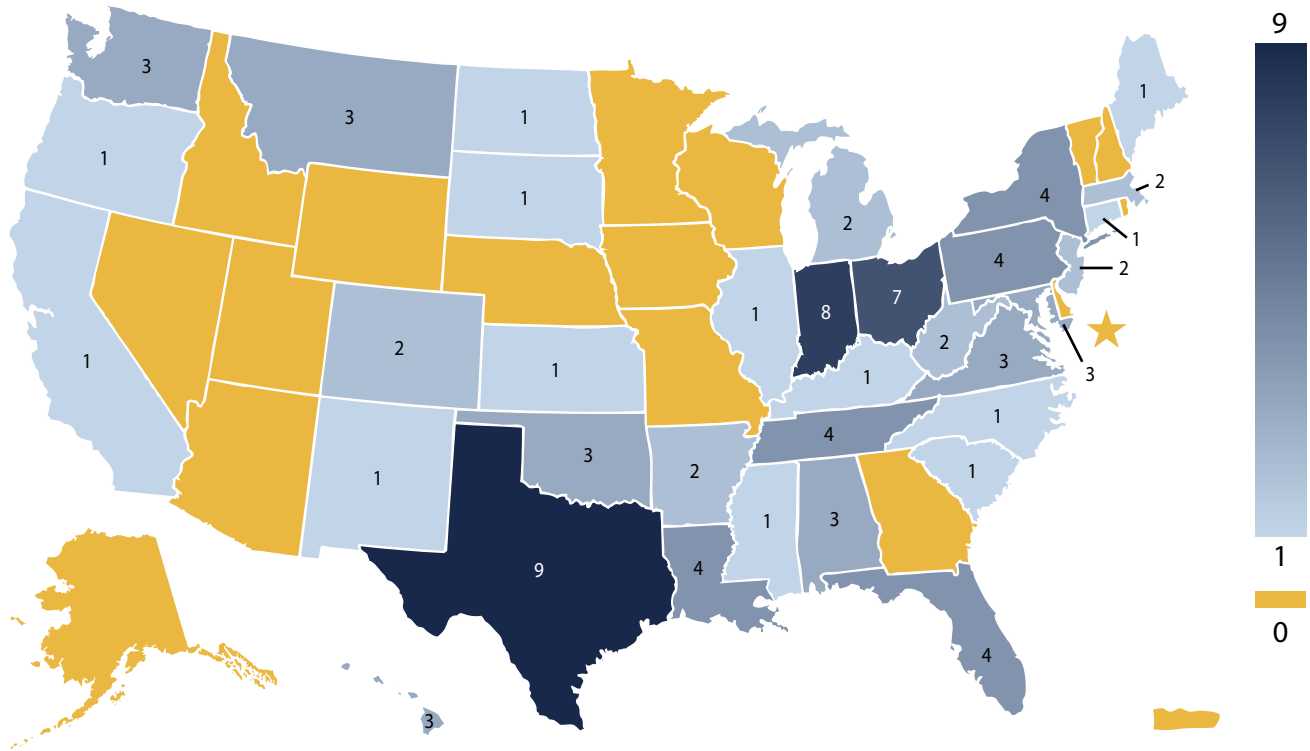


Appendix 2: 2022 CDRLF Awards by State

Amount Awarded



Number of Awards





National Credit Union Administration
Office of Credit Union Resources and Expansion
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703-518-6680
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NCUA.gov

