

Statement from Secretary of the Treasury Janet L. Yellen on Launch of New Private and Public Sector Efforts to Maximize Investments in Underserved Communities

July 28, 2022

WASHINGTON — Today, Vice President Kamala Harris announced a new coordinated effort by six federal agencies – the Departments of the Treasury, Commerce, Transportation, Housing and Urban Development, and Agriculture and the Small Business Administration— to maximize federal dollars flowing into underserved communities, including communities of color, rural, and Tribal communities. These federal agencies have signed a [Memorandum of Understanding \(MOU\)](#)  to enhance and expand their collective efforts to strengthen access to public- and private-sector capital to address longstanding economic disparities in underserved communities, building on the historic investments in the American Rescue Plan, the Bipartisan Infrastructure Law, and other statutes.

As part of this effort to enhance investment in underserved communities, Vice President Harris also announced the formation of a newly created Economic Opportunity Coalition, a coalition of leading private sector, philanthropic, and community organizations that has committed tens of billions of dollars and other resources to strengthen community finance organizations, especially community development financial institutions (CDFIs) and minority depository institutions (MDIs); support small businesses in underserved communities, especially minority entrepreneurship; broaden financial inclusion and provision of financial services in underserved communities; and leverage investments in infrastructure to improve access and mobility and create more community wealth.

Secretary of the Treasury Janet L. Yellen issued the following statement on the Memorandum of Understanding and formation of the Economic Opportunity Coalition:

“The Treasury Department is committed to unlocking the economic potential of communities of color, low-income neighborhoods, rural areas, and other historically underserved communities. These efforts will help build a stronger and more globally competitive U.S. economy where all Americans have a chance to succeed. Increasing economic opportunity for

historically marginalized communities will contribute to our nation's broader economic growth and benefits the whole country.

The public and private sector each have key roles to play in addressing longstanding economic disparities and these initiatives will help us each to further our impact by deploying our resources side-by-side and more collaboratively. I welcome the formation of the Economic Opportunity Coalition and the commitments being announced by its founding members today. These initiatives will enable the federal government to expand access to public and private sector capital and to build on the historic investments available under the American Rescue Plan, Bipartisan Infrastructure Law, and other effort.

These programs are a down payment on the investment needed to unlock the full potential of all communities, and I look forward to working with our partners across the federal government and the private sector to deepen our commitment to serving the American people.”

As part of today's announcement, the Department of the Treasury also reported progress on several key initiatives focused on these goals. Through the Emergency Capital Investment Program, the Department of the Treasury has made approximately \$8.26 billion of investments so far in 161 CDFIs and MDIs to enhance their ability to provide loans, grants, and forbearance for small businesses, minority-owned businesses, and consumers, especially in low-income and underserved communities. Treasury's State Small Business Credit Initiative is in the process of deploying nearly \$10 billion to states, the District of Columbia, territories, and Tribal governments to empower small businesses to access capital needed to invest in job-creating opportunities. Finally, Treasury's Community Development Financial Institutions (CDFI) Fund recently released the notice of funding availability for the \$1.75 billion CDFI Equitable Recovery Program, after having delivered \$1.25 billion in 2021 through the CDFI Rapid Response Program.

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