

May 2, 2025

Chip Curry, Senate Chair
Traci Gere, House Chair
Joint Standing Committee on Housing and Economic Development
100 State House Station
Augusta, ME 04333

RE: LD 1500, *An Act to Establish the Maine Community Development Financial Institution Fund to Support Small Businesses, Rural Economic Development and Affordable Housing*

Dear Senator Curry and Representative Gere and distinguished members of the Committee:

On behalf of Norway Savings Bank, I am writing in support of LD 1500. This bill will support the growth and work of Maine's CDFI sector, which offers affordable housing development, small business growth and expansion, low- and moderate-income homebuying, historic redevelopment, and community services such as healthcare, childcare and more.

Founded in 1866, Norway Savings Bank is a leading mutual banking and financial services company headquartered in Norway, Maine. The bank has 24 branch locations and operates divisions in asset management, personal banking and business banking. We firmly believe in our bank's mission to serve the needs of our communities through our deposit and lending services, as well as community involvement through investments, donations and volunteering. We take pride in being an engine of economic growth.

As a State Chartered, Community Bank, Norway Savings Bank invests in CDFIs directly while also lending alongside them on various local projects. CDFIs make many deals possible by playing a role as a subordinate lender. They also build our market by assisting their borrowers to ultimately become bankable through mainstream financing. We rely on their partnership to serve our communities and to meet our obligations under the Community Reinvestment Act.

We are well aware of the important role Maine's CDFI's play in our financial landscape. By leveraging over \$8 in private capital for every \$1 in public support, CDFIs offer a demonstrated model of successful public-private partnership. This "multiplier effect" helps preserve public resources and mobilizes significant private investment.

Creating a Maine CDFI Fund and authorizing the State Treasurer to invest a portion of the state's cash pool each year in Maine CDFIs will help to build CDFI balance sheet strength to attract more investors and scale activities. This in turn will bring financing to more borrowers and projects throughout the state to create jobs, start and grow businesses, build and improve housing and community facilities, and create economic opportunity in Maine communities.

We urge you to support LD 1500 and thank you for your consideration.

Sincerely,

Janice de Lima
Vice President, CRA Officer