



May 2, 2025

**Testimony to the 132nd Maine Legislature
Committee on Housing and Economic Development**

Greetings, Senator Curry, Representative Gere, and honorable members of the Committee. My name is Josh Steirman and I am testifying on behalf of the Maine Bankers Association. We are the trade association representing 34 retail banks operating across the State of Maine, with over 9,000 employees in virtually every community state-wide. Last year our banks provided over \$2.5 billion in residential real estate loans, and over \$3.2 billion in small business loans. Banks are deeply embedded in Maine communities: last year, bankers volunteered over 145,000 hours, and donated over \$18 million to charitable causes. Maine bankers are your neighbors, working to provide a safe place for deposits, modern technology solutions, fraud protection, a home mortgage, or a small business loan.

Today we are testifying in Support of L.D. 1500, *An Act to Establish the Maine Community Development Financial Institution Fund to Support Small Businesses, Rural Economic Development and Affordable Housing*. This bill will support the growth and work of Maine's community development financial institutions (CDFI) sector, which in turn strengthens the full financing landscape in the state of Maine.

Our members are uniquely aware of the important role that the 10 certified CDFI's in Maine play in the state's financial landscape: we experience firsthand the many ways that CDFI's support affordable housing development, small business growth and expansion, low- and moderate-income homebuying, historic redevelopment, and community services such as healthcare, childcare, and more. By leveraging over \$8 in private capital for every \$1 in public support, CDFI's offer a demonstrated model of successful public-private partnership. As noted in a recent letter from the American Bankers Association to members of the U.S. Congressⁱ, 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 CDFI's 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.

Respectfully Submitted,
Joshua Steirman
Director of Government Relations

ⁱ See *Joint Trades Letter to Senate on CDFI*, March 18, 2025, signed by American Bankers Association, America's Credit Unions, Community Development Bankers Association, Inclusiv, Independent Community Bankers Association, Mortgage Bankers Association, National Association of Affordable Housing Lenders, National Bankers Association, available at <https://www.aba.com/advocacy/policy-analysis/joint-trades-letter-to-senate-on-cdfi>.