

## OMB documents show CDFI Fund isn't disbursing new funds

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By Claire Williams

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WASHINGTON — The Office of Management and Budget has apportioned a fraction of the money Congress allotted to the Community Development Financial Institution Fund, documents show.

OMB has allotted only \$35 million under the Trump administration to the CDFI program, according to new apportionment documents. All of those funds have gone to cover administrative costs rather than awards from the program fund.

That means that OMB has apportioned no discretionary awards to banks or other financial institutions for the fiscal year, which ends in a little over a month on Sept. 30.

Funds for various CDFI programs are on a two-year cycle, so unlike many programs, the money doesn't expire at the end of the fiscal year.

Still, the delay for the Bank Enterprise Award program and the other 10 programs under the CDFI Fund umbrella is unusual and problematic for the institutions that rely on those awards, and there's no sign that the program is going to be kicked back into gear. The Bank Enterprise Award Program, for example, [still has not received a notice of funding availability](#), a delay that could result in no awards this year, considering the long process of disbursing the funds.

"All of this tells us what we already suspected, which is that OMB has not approved any apportionments for discretionary awards using funds provided in FY25," said a spokesperson for Sen. Mark Warner, D-Va.

Warner is the co-chair of the CDFI Caucus in Congress, alongside former Senate Banking Committee Chairman Mike Crapo, R-Idaho. Crapo's office did not return a request for comment.

The fate of the CDFI Fund has been uncertain since President Donald Trump signed an [executive order](#) earlier this year that aimed to dismantle the program, which has generally enjoyed bipartisan support in Congress.

The executive order demanded the dissolution of the program to the extent allowed by law.

Although the Treasury Department has said that the entire CDFI Fund is [statutorily mandated](#), that hasn't stopped OMB from withholding the funds. The OMB is led by director

Russell Vought, who is also the acting head of the Consumer Financial Protection Bureau and who was a leading proponent of the Heritage Foundation's [Project 2025](#) governing blueprint.

The CDFI case highlights a core constitutional conflict over Congress' power of the purse at play in Washington under the Trump administration. Vought and OMB have maintained that the administration can withhold money that Congress has appropriated, while lawmakers — even some Republican lawmakers like Crapo — have maintained that only Congress can decide what programs should be funded.

"To date, the CDFI Fund has yet to announce and disburse awards for five programs within its portfolio even though application periods closed months ago," Crapo, Warner and a large group of bipartisan senators said in a [letter to OMB last month](#). "Furthermore, other programs have yet to publish applications for the current fiscal year."

OMB Director Vought has previously advocated for so-called "pocket recessions," a rarely used procedure that would allow the president to propose spending cuts late in the fiscal year when Congress has insufficient time to review them. Vought has said the administration intends to use such tools to achieve savings without legislative approval.