

**§ 4718. Authorization of appropriations****(a) Fund authorization****(1) In general**

To carry out this subchapter, there are authorized to be appropriated to the Fund, to remain available until expended—

- (A) \$60,000,000 for fiscal year 1995;
- (B) \$104,000,000 for fiscal year 1996;
- (C) \$107,000,000 for fiscal year 1997; and
- (D) \$111,000,000 for fiscal year 1998;

or such greater sums as may be necessary to carry out this subchapter.

**(2) Administrative expenses****(A) In general**

Of amounts authorized to be appropriated to the Fund pursuant to this section, not more than \$5,550,000 may be used by the Fund in each fiscal year to pay the administrative costs and expenses of the Fund. Costs associated with the training program established under section 4708 of this title and the technical assistance program established under section 4707 of this title shall not be considered to be administrative expenses for purposes of this paragraph.

**(B) Calculations**

The amounts referred to in paragraphs (3) and (4) shall be calculated after subtracting the amount referred to in subparagraph (A) of this paragraph from the total amount appropriated to the Fund in accordance with paragraph (1) in any fiscal year.

**(3) Capitalization assistance**

Not more than 5 percent of the amounts authorized to be appropriated under paragraph (1) may be used as provided in section 4712 of this title.

**(4) Availability for funding section 4713 of this title**

33 $\frac{1}{3}$  percent of the amounts appropriated to the Fund for any fiscal year pursuant to the authorization in paragraph (1) shall be available for use in carrying out section 4713 of this title.

**(5) Support of community development financial institutions**

The Administrator shall allocate funds authorized under this section, to the maximum extent practicable, for the support of community development financial institutions.

**(b) Community Development Credit Union Revolving Loan Fund**

There are authorized to be appropriated for the purposes of the Community Development Credit Union Revolving Loan Fund—

- (1) \$4,000,000 for fiscal year 1995;
- (2) \$2,000,000 for fiscal year 1996;
- (3) \$2,000,000 for fiscal year 1997; and
- (4) \$2,000,000 for fiscal year 1998.

**(c) Budgetary treatment**

Amounts authorized to be appropriated under this section shall be subject to discretionary spending caps, as provided in section 665<sup>1</sup> of title

2, and therefore shall reduce by an equal amount funds made available for other discretionary spending programs.

(Pub. L. 103-325, title I, § 121, Sept. 23, 1994, 108 Stat. 2189.)

## REFERENCES IN TEXT

Section 665 of title 2, referred to in subsec. (c), was repealed by Pub. L. 105-33, title X, § 10118(a), Aug. 5, 1997, 111 Stat. 695.

**§ 4719. Grants to establish loan-loss reserve funds****(a) Purposes**

The purposes of this section are—

(1) to make financial assistance available from the Fund in order to help community development financial institutions defray the costs of operating small dollar loan programs, by providing the amounts necessary for such institutions to establish their own loan loss reserve funds to mitigate some of the losses on such small dollar loan programs; and

(2) to encourage community development financial institutions to establish and maintain small dollar loan programs that would help give consumers access to mainstream financial institutions and combat high cost small dollar lending.

**(b) Grants****(1) Loan-loss reserve fund grants**

The Fund shall make grants to community development financial institutions or to any partnership between such community development financial institutions and any other federally insured depository institution with a primary mission to serve targeted investment areas, as such areas are defined under section 4702(16) of this title, to enable such institutions or any partnership of such institutions to establish a loan-loss reserve fund in order to defray the costs of a small dollar loan program established or maintained by such institution.

**(2) Matching requirement**

A community development financial institution or any partnership of institutions established pursuant to paragraph (1) shall provide non-Federal matching funds in an amount equal to 50 percent of the amount of any grant received under this section.

**(3) Use of funds**

Any grant amounts received by a community development financial institution or any partnership between or among such institutions under paragraph (1)—

(A) may not be used by such institution to provide direct loans to consumers;

(B) may be used by such institution to help recapture a portion or all of a defaulted loan made under the small dollar loan program of such institution; and

(C) may be used to designate and utilize a fiscal agent for services normally provided by such an agent.

**(4) Technical assistance grants**

The Fund shall make technical assistance grants to community development financial

<sup>1</sup> See References in Text note below.