

designation from its respective state supervisory authority (SSA) and concurrence from NCUA.

For 2005, Congress has appropriated \$1 million to the CDRLF. \$800,000 is designated for grants and \$200,000 is allocated for loans from the CDRLF. Below are five specific grant initiatives proposed for 2005:

- Urgent Needs Grant;
- Student Internship Initiative;
- Volunteer Income Tax Assistance (VITA) Initiative;
- Building Internal Capacity (Infrastructure) Initiative; and
- Enhancing Member Services (Outreach) Initiative.

As your credit unions further their outreach efforts for such initiatives as homeownership, financial education, and expanding service to underserved areas, I urge you to consider seeking a grant for worthwhile initiatives.

The guidelines for the 2005 TAG policies are attached for your review. The information addresses factors such as grant amounts, grant allocations by type, and application procedures.

All low-income designated credit unions should consider the advantages of the CDRLF program. If your credit union is not currently low-income designated, we encourage you to review the criteria to explore if the designation may be utilized for your credit union. The CDRLF program is designed to enhance a low-income institution's financial capacity to extend greater financial services to its members and ultimately improve the health and stability of the credit union.

General Guidelines for Technical Assistance Grants can be found on the NCUA website under the Programs heading on the Credit Union Development page at <http://www.ncua.gov/Resources/Documents/LCU2005-05Encl.pdf>.

Your local NCUA Regional Office and the Office of Small Credit Union Initiatives can provide additional information regarding the Community Development Revolving Loan Fund Program and how credit unions may qualify for a low-income designation and participate in these special programs. Additional information on Serving the Underserved can be found on NCUA's website at www.ncua.gov under the Credit Union Development heading.

This letter supercedes NCUA letter 01-CU-14, Community Development Revolving Loan Fund—Technical Assistance Program, October 2001.

Sincerely,

/s/

JoAnn Johnson
Chairman

Enclosure