



2024 AltCap Policy & Advocacy Agenda

Small businesses are the backbone of American communities.

Yet despite their role in creating vibrant communities, small businesses face many obstacles, including bureaucratic red tape, regulatory hurdles, and limited access to capital. As detrimental as these challenges are to businesses, they also thwart a community's ability to grow.

As a Community Development Financial Institution (CDFI), AltCap is an ally to small businesses and the communities in which they operate. Our flexible approach to deploying accessible capital supports entrepreneurs and communities overlooked by mainstream finance.

We serve those historically excluded from the financial system to help communities better reflect their citizenry and create economic opportunities for all. As a source of accessible capital, AltCap offers underestimated entrepreneurs a path to pursue their dreams and to be a part of building their community.

AltCap combines its loan capital with flexible underwriting requirements and technical assistance to maximize impact for businesses and communities. This capital is a vital alternative for entrepreneurs who are starting, stabilizing, and expanding their businesses but lack the ability to access capital from traditional lenders.

We recognize, however, that we cannot address these barriers alone. That's why we're proud to use our voice to advocate for policy changes for small businesses and the communities to which they contribute.

Our advocacy efforts aim to increase awareness of CDFIs and the barriers that small businesses face when seeking capital. In particular, we hope to create more connections with our elected officials and civic leaders to work together to help entrepreneurs at scale.

Please continue reading for an overview of AltCap's 2024 Public Policy Agenda.

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- **Increased funding for CDFIs**
 - AltCap supports increasing CDFI Fund appropriations and legislation that enables CDFIs to access additional, low-cost, and long-term capital including:
 - \$1 Billion for the CDFI Fund.
 - Renew the CDFI Bond Guarantee Program and reduce the authorization minimum to \$25 million

- **Strengthen and extend the New Markets Tax Credit (NMTC) program**
 - AltCap supports extending the NMTC program — set to expire in 2025 — on the condition that the following changes are made:
 - Prioritize CDFIs in the NMTC allocation process to account for at least 50% of total funds awarded.
 - Limit the allocation for non-CDFI, national organizations to 25%
 - Increase transparency of the application process and award decisions to help CDFIs to improve their chances of winning allocation.
 - Reduce the costs needed to complete an NMTC application.

- **Support policies that facilitate the creation and sustainability of small businesses**
 - AltCap believes the best economic development policies are rooted in supporting the creation and development of small businesses. We support policies removing red tape that stands in the way of entrepreneurs' dreams.
 - Ex: Right to Start Act

- **Support policies that strengthen financial protections for small businesses**
 - Unfortunately, there are unscrupulous lenders that prey on small businesses and use deceptive tactics to sell them exploitative loan products. AltCap staunchly opposes any such tactics and favors legislation that makes those tactics illegal.
 - Ex: Small Business Financing Disclosure Act

- **Support the legislative initiatives of AltCap's advocacy partners**

2024 AltCap Policy & Advocacy Partners

