

September 22, 2023

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Yellen:


As the lead sponsors of legislation to make the New Markets Tax Credit (NMTC) program permanent, we urge you to ensure that the award process for the program meets Congressional intent.

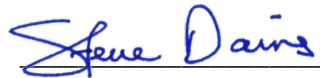
Since its inception, the NMTC has helped deliver over \$110 billion to thousands of projects that have created over a million jobs. The NMTC is vital to the development of economically distressed areas and has proved to be an effective tool to create jobs and spur investment in such communities, including in our home states of Alabama, Maryland, Montana, and New York. The program is a prime example of the benefits from public-private partnerships, using government policy to incentivize and target the flow of private capital to tackle unmet needs in low-income areas. Investors utilizing the NMTC program finance everything from child care centers to business incubators to grocery stores to manufacturing facilities and more.

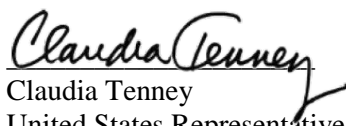
As you know, in 2020, Congress authorized a five-year, \$25 billion extension of NMTC through 2025 (PL116-94). After Treasury disburses credits authorized in 2022, a total of \$15 billion in allocation authority for 2023, 2024, and 2025 will remain available. We hope that Treasury will prepare a plan, in consultation with Congress, Community Development Entities (CDEs), and other stakeholders, to ensure that all authorized allocations are disbursed by the end of 2025. We hope Treasury will follow the precedent set by the 2015 and 2016 allocations of NMTC by ensuring that all allocations are disbursed by the end of 2025.

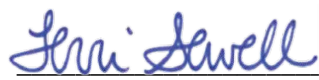
Congress intended for New Markets Tax Credit allocations to be awarded and disbursed within the authorized period to ensure predictability for investors utilizing the program and allowing CDEs to adequately prepare for additional allocations. The NMTC program has a positive impact on our nation's underserved communities, households, and persons, and we aim to ensure its permanency. We appreciate your attention to this issue and look forward to your response.

Sincerely,


Benjamin L. Cardin
United States Senator


Steve Daines
United States Senator


Claudia Tenney
United States Representative


Terri Sewell
United States Representative