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Re: RIN 3038-AD 52

Americans for Financial Reform (“AFR”) appreciates this opportunity to respond to the Commission’s request for comments on its “Concept Release on Risk Controls and System Safeguards for Automated Trading Environments” (the “Release”). AFR is a coalition of over 250 national, state, and local groups who have come together to advocate for reform of the financial industry. Members of AFR include consumer, civil rights, investor, retiree, community, labor, faith based, and business groups.

Introduction

The Release states that it is motivated by the Commission’s “continuing commitment to the safety and soundness of U.S. derivatives markets in a time of rapid technological change” and that the release seeks to catalogue existing industry practices, determine their efficacy and evaluate the need for additional risk control measures. AFR is supportive of the Commission’s efforts towards these goals.

However, we are troubled by the narrow scope of the Release and some of the assumptions underlying it. AFR believes that the Commission needs to consider the broader costs and benefits to the public of permitting ever-increasing speed and ubiquity of automated trading technologies. We believe that such an analysis would support stronger limitations on automated trading than appear to be contemplated in this Release.

The Release targets risk control and monitoring measures in the context of avoiding disastrous unintended consequences of Automated Trading Systems (ATS). This is an important concern, and AFR strongly supports the Commission’s efforts in this area. However, this avoids a threshold question: does the extreme speed and interconnection of contemporary ATS provide any benefit to the public? For example, what public interest is served by the reduction in trading times from 125 milliseconds to 4.2 milliseconds? Will the public interest be served by a future reduction of trading times to nanoseconds?

These questions become particularly salient for the subset of ATS known as ‘high frequency traders’ (HFT). As discussed below, there is no doubt that the increased speed of ATS can

generate profit for high frequency traders who are winners of the ‘arms race’ of high speed trading. However, if there is significant risk created by this ‘arms race’, and little or no public benefit, this has serious implications for the measures the Commission should take to address the risks created by ATS. If the deployment of some technological changes creates the danger of market disruption without creating reasonable public benefit then the CFTC would be justified in setting absolute limits on such deployment.

The Release requests comments on the costs and benefits of the various protections described therein. The Office of Management and Budget, in its Circular A-94 on cost benefit analysis, notes cost benefit analysis should be based on costs and benefits to the public as a whole, not private benefits to individual market actors. But there is little evidence in the Release that the Commission has considered this crucial issue of the private vs. the public benefits of advances in ATS technology.

A second issue in the Release is a general focus on catastrophic disruptions to the market, rather than the everyday damage to market integrity that can be created by predatory high frequency trading practices enabled by ATS. One of the fundamental statutory objectives of the Commission under the Commodities Exchange Act is to deter and prevent disruptions to market integrity.¹ Such disruptions can occur in a defined catastrophic event (like the May 6, 2010 “Flash Crash”) or on a smaller scale by harming price discovery throughout the trading day. Both harm the public. However, for the most part this Release appears to target catastrophic disruptions. By doing so, the proposals set forth in the Release can reduce the overall net cost of ATS. However, more direct actions to limit the disruptive capacity and the speed of automated trading could reduce net overall costs more effectively while still reducing the risks of catastrophic disruptions targeted by the Release.

The very need for the Release (*i.e.*, that pervasive ATS operating at current speeds inherently pose risks of market disruption) raises the question of whether their value in improving market functioning justifies these costs. High-frequency, predatory ATS operating in the zero-sum game of the market are a powerful example of a practice that can be extraordinarily profitable for individual market participants but could lack any benefit and likely impose costs on the public as a whole.

With that said, the Release does query concerning a number of regulatory reforms that could be of significant benefit in restraining the harmful effects of high speed trading. This is particularly true of minimum resting periods. In our response to the questions in the Release below, we give specific recommendations.

Some Background on Automated Trading Systems

The rise of Automated Trading Systems (“ATSs”) is not merely a change in trading technologies. It has changed how markets function. Today, price formation is performed overwhelmingly by automated systems that trade using algorithms that respond to perceived information at extraordinary speed. The Commission cites data that indicate that

¹ CEA, Section 3(b); 7 U.S.C. 5(b).

average time to complete a trade on the Chicago Mercantile Exchange fell from 127 milliseconds (thousandths of a second) in 2004 to 4.2 milliseconds in 2011, and that market participants using another trading venue experienced significantly lower average round-trip times. The pervasiveness of ATSs is illustrated by the Commission's estimate that, "[i]n 2012, approximately 91.50% of exchange trading volume in U.S. futures markets was executed electronically."

Asymmetry among market participants in perceiving information and in speed of deploying responses to these perceptions allows market participants with the greatest advantages in speed and response time to earn significant profits. Aggressive (i.e. liquidity-taking) high frequency traders using high-speed ATS have been shown to earn substantial and consistent profits.² Successful incumbent HFT firms using these strategies were able to extract profits without substantial market risk, as measured by Sharpe ratios.

There are serious doubts as to whether high-speed ATS, particularly in its HFT form, advances the core public purposes of financial markets: price discovery, efficient capital intermediation and bona fide and sensible hedging of commercial risks.

In the words of Nobel prize winner Eugene Fama, "The primary role of the capital market is allocation of ownership of the economy's capital stock. In general terms, the ideal is a market in which prices provide accurate signals for resource allocation: that is, a market in which firms can make production-investment decisions... under the assumption that security prices at any time 'fully reflect' all available information."³ A recent study finds that despite tremendous increases in technology and market liquidity (measured by trading activity), the information content of market prices for stocks and bonds (as predictive of earnings) has not increased since 1960.⁴ This indicates that the vast expansion of ATS has not improved the effectiveness of the markets in performing the core market function of information processing to serve capital intermediation.

Another recent study finds that ATSs in the commodity markets impairs price discovery and the hedging function as a result of "branching," an increase in the number of transactions that occur when absorbing new information into the market.⁵ This creates additional price movements and extends the convergence time prior to the absorption of new information into a stabilized market price. The result is higher volatility and increased market instability.

² Matthew Baron, Brogaard and Andrei Kirilenko, "The Trading Profits of High Frequency Traders," (November 2012), available at http://faculty.chicagobooth.edu/john.cochrane/teaching/35150_advanced_investments/Baron_Brogaard_Kirilenko.pdf.

³ Eugene Fama, "Efficient capital markets: A review of theory and empirical work," (1970) *Journal of Finance*, 25(2), 383-417.

⁴ Jennie Bai, Thomas Phillipon and Alexi Savov, "Have Financial Markets Become More Informative?" (August 2013), available at <http://pages.stern.nyu.edu/~tphilipp/papers/BaiPhilipponSavov.pdf>.

⁵ Vladimir Filimonov, David Bicchetti, Nicolas Maystre, & Didier Sornette, "Quantification of the High Level of Endogeneity and of Structural Regime Shifts in Commodity Markets" (Mar. 20, 2013), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2237392.

A separate, but also important, issue is the ability of market actors using ATS to manipulate information in order to anticipate the reaction of other market participants or to create disparities in pricing across market venues for trading advantages. The Commission has recognized that these types of strategies can be the subject of after-the-fact enforcement under rules governing manipulative and disruptive behavior. But because these activities are carried out at great speed and in a large number of relatively small units, the Commission can only hope to detect and pursue the most extreme events.

The defense of ATS generally centers on their provision of “liquidity.”⁶ This, of course, depends on how one measures and defines liquidity. The conventional measurement of liquidity focuses exclusively on bid/ask spreads as an indication of transaction costs. This is inadequate. It has been shown that there is a distinction between market volume and liquidity.⁷ Market activity that can rapidly and unpredictably transform from liquidity-providing to liquidity-taking can be highly disruptive and can harm the core functions of the markets.⁸ Moreover, using the bid/ask spread as a measurement device can be inaccurate. First of all, it fails to capture the absolute price effects of ATSs. It also does not measure the total costs of trading. A recent study finds that while the cost of individual trades may be lowered as the volume of automated trading increases, the lower size of trades that results from ATSs means that much of the cost per unit of the security or derivative traded has increased.⁹ An example of this reduced size of transaction is the “shredding” of large positions for sale or acquisition referred to in the Release.¹⁰

The claims of liquidity provision are particularly erroneous in the case of high frequency traders. As stated by Andrei Kirilenko and Andrew Lo in a recent study¹¹:

“In contrast to a number of public claims, high frequency traders do not as a rule engage in the provision of liquidity like traditional market makers. In fact, those that do not provide liquidity are the most profitable and their profits increase with the degree of “aggressive”, liquidity-taking activity”

Moreover, while ATS can provide meaningful and reliable liquidity that creates value, it is highly questionable whether the benefits of such liquidity grow as the speed of market

⁶ See Charles M. Jones, “What Do We Know About High-Frequency Trading,” March 2013, available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2236201 (The cited article includes the statement “This research was supported by a grant from Citadel LLC.”)

⁷ A. Kirilenko, A. Kyle, M. Samadi and T. Tuzun, “The Flash Crash: The Impact of High Frequency Trading on an Electronic Market,” May 2011 available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1686004.

⁸ Wallace Turbeville, “Cracks in the Pipeline Part II: High-Frequency Trading,” March 2013, available at <http://www.demos.org/publication/cracks-pipeline-part-two-high-frequency-trading>.

⁹ OXERA, “Monitoring Prices Costs, and Volumes of Trading and Post-trading Services,” (Prepared for European Commission DG Internal Markets and Services), May 2011, available at <http://www.oxera.com/Oxera/media/Oxera/downloads/reports/Oxera-report-on-trading-and-post-trading-May-2011.pdf?ext=.pdf>.

¹⁰ Release, page 11.

¹¹ Kirilenko, Andrei and Lo, Andrew W, “Moore’s Law vs. Murphy’s Law: Algorithmic Trading And Its Discontents”, March 2013, available at <http://papers.ssrn.com/abstract=2235963>

activity increases. What is the value to the economy, measured by the increased efficiency of core market functions, of reducing transaction times from 127 milliseconds to 4.2 milliseconds? Even if this minimal improvement in trading times is assumed to be reflected directly in faster price discovery – which, as discussed above, is highly doubtful – it is difficult to see how correcting market mispricings a few milliseconds more quickly could possibly create benefits that outweigh increased risks of major market instability. Indeed, the major benefit of such levels of speed to market makers is to permit them to stay ahead of predatory tactics by high frequency traders, tactics that are themselves enabled by the extraordinary trading speeds permitted on the market.

In sum, the trading markets have been fundamentally changed by advances in technology. These changes in turn lead to fundamental questions about the benefits and costs of ATS. The Commission should address these fundamental questions, as they are a necessary context for the more detailed issues addressed in this Release. If permitting ever-increasing levels of speed does not create benefits for market functioning, then the Commission would be justified in imposing a ‘disarmament’ of high-speed traders by directly limiting trading speeds through a minimum resting period or other technological throttle.

RESPONSES TO QUESTIONS

Definition of HFT (*General response to Questions 1-4*): The release, by referencing the work of the Commission’s Technical Advisory Committee, describes high frequency trading (HFT) as a subset of ATS that has certain specified attributes.

- (a) algorithms for decision making, order initiation, generation, routing, or execution, for each individual transaction without human direction;
- (b) low-latency technology that is designed to minimize response times, including proximity and co-location services;
- (c) high speed connections to markets for order entry; and
- (d) recurring high message rates (orders, quotes or cancellations) determined using one or more objective forms of measurement, including (i) cancel-to-fill ratios; (ii) participant-to-market message ratios; or (iii) participant-to-market trade volume ratios.

The first attribute, the use of algorithms to the exclusion of human decision-making, is an absolute concept. The remaining attributes are expressed in relative terms. The definitions of “low-latency technology designed to minimize response times,” “high-speed connections to markets,” and “recurring high message rates” could mean that they are assessed as relative to a given markets or markets in general or exceed an absolute threshold. If HFT is to be used as a meaningful classification of trading activity, this distinction should be clear, and the exact thresholds for HFT should be understood.

As discussed above, many of the doubts concerning the social benefits of ATS are linked to those traders who use HFT. We believe that a deeper analysis of the social costs and benefits of HFT would support systematic controls on its use. We recommend that the Commission make use of the definition of HFT to create a meaningful set of restrictions on the use of ATS. These restrictions should limit particular elements of HFT so that automated technology could not be used to create an unproductive ‘arms race’ in trading speed or market manipulation capacity. The following definition could serve this purpose:

- Low-latency technology: speed advantages resulting from co-location or proximity should be throttled so as to eliminate any advantage in terms of speed;
- High-speed connection: all connections to the market should likewise be throttled to provide access that is fair and implies a round trip time of no more than some increment over the average round trip time on the trading venue (for example 125%); and
- Recurring high message rates: all of the objective criteria cited by the Commission in this area are useful. However, the cancel-to-fill ratio is conceptually different from the other two and should be applied universally, regardless of steps taken on other elements of high message rates. Such an application should involve two separate calculations based on the average time between placement of orders and cancellation on a first-in, first-out basis. For shorter duration orders (for example orders that are cancelled within 10 seconds of their placement), the ratio should be lower (for example 1 to 5). A higher ratio would be acceptable for orders that are cancelled after longer durations.

Pre-Trade Risk Controls

In introducing the next set of questions, the Release examines the need for pre-trade risk controls. It states that the Commission has observed the need for layers of pre-trade risk controls – at the market participant, exchange and clearing firm levels – because of a concern for a “race to the bottom.”¹² It describes how pre-trade risk controls have become a point of negotiation between trading firms and relevant infrastructure providers because pre trade controls can add latency to a trade. This highlights the need for sensible regulation that has the effect of slowing processes. Market participants cannot be expected to sacrifice speed for prudent risk controls even if it is in their long-term interest. The competitive forces are simply too strong, and undermine possibilities for collectively beneficial action. This is exactly the justification for regulatory action.

Message and Execution Throttles. (General Response to Questions 11-14): The Commission requests comment on several issues, in particular how the volume standards should be set and the consequences of a violation.

¹² Release, page 40.

These questions depend on the purpose of the message or execution throttle. The Release clearly identifies the detection of a malfunctioning algorithm that is generating orders and trades at unanticipated volumes. This purpose suggests that the standards should be based on the qualitative trading strategy of the algorithm. The purpose is admirable and, if applied by infrastructure providers, will not only be a good check on operations but will also require a better understanding of what the provider should expect from an ATS.

The release also points out that the throttle can also be used to deter and detect strategies like “quote stuffing.” This of course is only one disruptive outcome of ATSS. Message throttles that were set to small increments of time should also be used to detect and deter other predatory and disruptive activities that require high message traffic. This should be an explicit purpose for the throttles and should be tied to absolute levels, not related to the algorithm of a given ATS (since that algorithm could have predatory or disruptive intent).

Self Trade Controls. (General Response to Questions 18-20): The Release recognizes that a trade in which the same trading entity is on both sides can send misleading price signals. This can be an unintended consequence of an ATS or it can be intentional and can involve a second market participant that creates “self trades” by both market participants. All are the equivalent of “wash trades.”

The controls proposed in the Release are prudent and should be implemented. If the self trade involves a second market participant (who in effect is doing a self trade as well) the controls should pick that up. Whether it is an accident or intentional, it is a misleading price signal. If it is intentional, a disciplinary proceeding is warranted.

The immediate remedy should be to cancel the taking order that created the self trade. That is more likely to be the error order and it should be up to the market participant to cancel the resting order.

Price Collars. (Response to Question 23): There is a strong need for widely applicable price collars at the trading venue level. An explicit purpose should be to deter disruptive and manipulative activity that involves posting orders that significantly diverge from bid/ask spreads. Malfunctions by ATSS can be deterred as well, but intentional violation of price collars is just as important.

Pre Trade Credit Risk Limits. (Responses to Questions 34, 35 and 39): A system that properly adjusts available credit capacity in response to trades is an essential element to the integrity of markets dominated by ATS. Rapid execution and reversal of large volumes of positions relative to the capital of market actors creates a dangerous situation.

The measurement of credit limits relative to a single ATS rather than on a firm-wide basis is useful for detection of malfunctions in individual strategies. However, it is not nearly as important for overall market stability as firm-wide calculations.

The Commission asks for comment on the use of a ‘hub’ approach. Such a centralized hub approach appears to be the best system for a marketplace in which multiple SEFs and

DCMs and multiple DCOs are permitted and even encouraged. Indeed, any other system appears fundamentally flawed. We are not aware of any other option that addresses the interconnectedness of distinct DCOs through credit exposures nearly as effectively as the use of a hub for credit screening.

The usual criticism of the hub approach is slightly longer latency periods (slightly slower trading speeds). The Commission asks the question “how can the latency between the “hub” and the exchanges be managed to provide accurate limits for high frequency ATS?” This is an inappropriate framing of the question, as it appears to prioritize the speed of existing traders over the integrity and stability of the market. A hub approach is important for the integrity of the marketplace. If the use of a hub to provide accurate credit limits slows overall trading by some fraction of a second, the public will be protected, and all market participants will be subject to the same rules. Any possible of a cost to the public of such a minor slowdown would have to be clearly demonstrated and not simply assumed.

System Safeguards. (Response to Question 55): The Release discusses the need for system safeguards to protect from unanticipated results and malfunctioning ATSs, in particular kill switches that could be tripped automatically under specified conditions to shut down individual ATSs gone awry. Kill switches are also critical elements of pre-trade credit screens, including but not limited to those implemented via a hub for multiple SEFs, DCMs and DCOs. (Indeed, the ease of implementing a kill switch through a centralized hub is one important argument for the superiority of a hub approach). FCM’s operate as mini-clearing entities. Their credit screens should be given effect by automated kill switches as well. Inserting a block is a minor task compared with the credit screen itself and its value as a safeguard is great.

Self Certification. (Response to Question 62)¹³ These certifications are an important element of the regime. They should be made by the CEO, but also both the CCO and CRO to make certain that responsibility for the underlying systems and algorithms is taken by those officers having direct responsibility.

Data Reasonability Checks. (Responses to Questions 76-77): The circumstances underlying this proposal are yet another indication that a broader consideration of ATS is badly needed. The Release references the crash of market prices based on an anomalous AP Twitter message and the University of Michigan’s sale of priority in market data receipt. These indicate that the ATS create market price anomalies regularly because of their speed and automation. Because ATS act without human intervention, large trading activity can cause prices to overshoot reasonable levels based on unreliable information. This magnifies the value of unequal access to information and increases the distortion in prices for those not privileged. Information should be from reliable sources or screened by humans. Information flows from institutional sources should be subject to fair access.

Registration of Firms Operating ATSs. (Responses to Questions 78-80): Registration of ATSs is both authorized and would provide valuable tools for the Commission. The

¹³ Release, pages 68-70.

enhancement of investigative authority is extraordinarily important given that the Commission staff would often need to involve itself in the workings of the ATSS to anticipate problems and to detect and investigate problems that have occurred. HFT firms should have the highest priority.

Market Quality Data. (Response to Question 90): Meaningful data to analyze the complex and rapidly evolving effects of ATSS on the market is essential. It is the only way to detect problems, hopefully before a disaster occurs. It is also the only way to anticipate what additional approaches may be needed to address changing strategy and methods. Of particular importance is information on the branching ratio. This should provide the Commission with further useful information on the day to day routine effects of ATSS on the marketplace.

Market Quality Incentives – Minimum Resting Period (Response to Question 96): The Commission asks for comments on the imposition of minimum time periods during which orders must remain on the order book before they can be withdrawn. AFR strongly endorses this proposal. This proposal could directly address the source of many of the issues created by ATS and HFT, namely possible market instability and market manipulation created by hyper-rapid execution of strategies without human intervention.

The standard for a required time period is crucial. While we have not performed the analysis necessary to recommend a specific period, we would favor a sufficient resting period to allow some human participation in the markets. This indicates a time period calibrated to some measure of human reaction time, e.g. one second or more.

Penalties. (Response to Question 120): The Release points out that the maximum civil penalty the Commission may issue is capped at \$140,000 per violation. The only way that penalties on this scale can be a deterrent is in cases where it is possible to aggregate a large number of violations for each trade involved. AFR strongly supports a penalty regime that straightforwardly grants the Commission the authority to exact penalties that are proportionate to violations and constitute real deterrents. We have previously endorsed such a regime in the context of statutory CFTC reauthorization.¹⁴ We encourage the Commission to seek administrative methods to scale the penalty appropriately to the impact and scale of the violation, for example by defining each disruptive trade as a separate violation where appropriate.

Thank you for the opportunity to comment on this release. Should you have any questions, please contact Marcus Stanley, AFR's Policy Director, at marcus@ourfinancialsecurity.org or (202) 466-3672.

¹⁴ See Americans for Financial Reform, "Comments Re CFTC Reauthorization", Submission to Senate Agriculture Committee, May 3, 2013, available at www.ag-senate.gov/issues/cftc-reauthorization

Following are the partners of Americans for Financial Reform.

All the organizations support the overall principles of AFR and are working for an accountable, fair and secure financial system. Not all of these organizations work on all of the issues covered by the coalition or have signed on to every statement.

- AARP
- A New Way Forward
- AFL-CIO
- AFSCME
- Alliance For Justice
- American Income Life Insurance
- American Sustainable Business Council
- Americans for Democratic Action, Inc
- Americans United for Change
- Campaign for America's Future
- Campaign Money
- Center for Digital Democracy
- Center for Economic and Policy Research
- Center for Economic Progress
- Center for Media and Democracy
- Center for Responsible Lending
- Center for Justice and Democracy
- Center of Concern
- Center for Effective Government
- Change to Win
- Clean Yield Asset Management
- Coastal Enterprises Inc.
- Color of Change
- Common Cause
- Communications Workers of America
- Community Development Transportation Lending Services
- Consumer Action
- Consumer Association Council
- Consumers for Auto Safety and Reliability
- Consumer Federation of America
- Consumer Watchdog
- Consumers Union
- Corporation for Enterprise Development
- CREDO Mobile
- CTW Investment Group
- Demos
- Economic Policy Institute
- Essential Action
- Green America
- Greenlining Institute
- Good Business International

- HNMA Funding Company
- Home Actions
- Housing Counseling Services
- Home Defender's League
- Information Press
- Institute for Agriculture and Trade Policy
- Institute for Global Communications
- Institute for Policy Studies: Global Economy Project
- International Brotherhood of Teamsters
- Institute of Women's Policy Research
- Krull & Company
- Laborers' International Union of North America
- Lawyers' Committee for Civil Rights Under Law
- Main Street Alliance
- Move On
- NAACP
- NASCAT
- National Association of Consumer Advocates
- National Association of Neighborhoods
- National Community Reinvestment Coalition
- National Consumer Law Center (on behalf of its low-income clients)
- National Consumers League
- National Council of La Raza
- National Council of Women's Organizations
- National Fair Housing Alliance
- National Federation of Community Development Credit Unions
- National Housing Resource Center
- National Housing Trust
- National Housing Trust Community Development Fund
- National NeighborWorks Association
- National Nurses United
- National People's Action
- National Urban League
- Next Step
- OpenTheGovernment.org
- Opportunity Finance Network
- Partners for the Common Good
- PICO National Network
- Progress Now Action
- Progressive States Network
- Poverty and Race Research Action Council
- Public Citizen
- Sargent Shriver Center on Poverty Law
- SEIU
- State Voices
- Taxpayer's for Common Sense
- The Association for Housing and Neighborhood Development
- The Fuel Savers Club

- The Leadership Conference on Civil and Human Rights
- The Seminal
- TICAS
- U.S. Public Interest Research Group
- UNITE HERE
- United Food and Commercial Workers
- United States Student Association
- USAction
- Veris Wealth Partners
- Western States Center
- We the People Now
- Woodstock Institute
- World Privacy Forum
- UNET
- Union Plus
- Unitarian Universalist for a Just Economic Community

List of State and Local Partners

- Alaska PIRG
- Arizona PIRG
- Arizona Advocacy Network
- Arizonans For Responsible Lending
- Association for Neighborhood and Housing Development NY
- Audubon Partnership for Economic Development LDC, New York NY
- BAC Funding Consortium Inc., Miami FL
- Beech Capital Venture Corporation, Philadelphia PA
- California PIRG
- California Reinvestment Coalition
- Century Housing Corporation, Culver City CA
- CHANGER NY
- Chautauqua Home Rehabilitation and Improvement Corporation (NY)
- Chicago Community Loan Fund, Chicago IL
- Chicago Community Ventures, Chicago IL
- Chicago Consumer Coalition
- Citizen Potawatomi CDC, Shawnee OK
- Colorado PIRG
- Coalition on Homeless Housing in Ohio
- Community Capital Fund, Bridgeport CT
- Community Capital of Maryland, Baltimore MD
- Community Development Financial Institution of the Tohono O'odham Nation, Sells AZ
- Community Redevelopment Loan and Investment Fund, Atlanta GA
- Community Reinvestment Association of North Carolina
- Community Resource Group, Fayetteville A
- Connecticut PIRG
- Consumer Assistance Council
- Cooper Square Committee (NYC)
- Cooperative Fund of New England, Wilmington NC

- Corporacion de Desarrollo Economico de Ceiba, Ceiba PR
- Delta Foundation, Inc., Greenville MS
- Economic Opportunity Fund (EOF), Philadelphia PA
- Empire Justice Center NY
- Empowering and Strengthening Ohio's People (ESOP), Cleveland OH
- Enterprises, Inc., Berea KY
- Fair Housing Contact Service OH
- Federation of Appalachian Housing
- Fitness and Praise Youth Development, Inc., Baton Rouge LA
- Florida Consumer Action Network
- Florida PIRG
- Funding Partners for Housing Solutions, Ft. Collins CO
- Georgia PIRG
- Grow Iowa Foundation, Greenfield IA
- Homewise, Inc., Santa Fe NM
- Idaho Nevada CDFI, Pocatello ID
- Idaho Chapter, National Association of Social Workers
- Illinois PIRG
- Impact Capital, Seattle WA
- Indiana PIRG
- Iowa PIRG
- Iowa Citizens for Community Improvement
- JobStart Chautauqua, Inc., Mayville NY
- La Casa Federal Credit Union, Newark NJ
- Low Income Investment Fund, San Francisco CA
- Long Island Housing Services NY
- MaineStream Finance, Bangor ME
- Maryland PIRG
- Massachusetts Consumers' Coalition
- MASSPIRG
- Massachusetts Fair Housing Center
- Michigan PIRG
- Midland Community Development Corporation, Midland TX
- Midwest Minnesota Community Development Corporation, Detroit Lakes MN
- Mile High Community Loan Fund, Denver CO
- Missouri PIRG
- Mortgage Recovery Service Center of L.A.
- Montana Community Development Corporation, Missoula MT
- Montana PIRG
- Neighborhood Economic Development Advocacy Project
- New Hampshire PIRG
- New Jersey Community Capital, Trenton NJ
- New Jersey Citizen Action
- New Jersey PIRG
- New Mexico PIRG
- New York PIRG
- New York City Aids Housing Network
- New Yorkers for Responsible Lending

- NOAH Community Development Fund, Inc., Boston MA
- Nonprofit Finance Fund, New York NY
- Nonprofits Assistance Fund, Minneapolis M
- North Carolina PIRG
- Northside Community Development Fund, Pittsburgh PA
- Ohio Capital Corporation for Housing, Columbus OH
- Ohio PIRG
- OligarchyUSA
- Oregon State PIRG
- Our Oregon
- PennPIRG
- Piedmont Housing Alliance, Charlottesville VA
- Michigan PIRG
- Rocky Mountain Peace and Justice Center, CO
- Rhode Island PIRG
- Rural Community Assistance Corporation, West Sacramento CA
- Rural Organizing Project OR
- San Francisco Municipal Transportation Authority
- Seattle Economic Development Fund
- Community Capital Development
- TexPIRG
- The Fair Housing Council of Central New York
- The Loan Fund, Albuquerque NM
- Third Reconstruction Institute NC
- Vermont PIRG
- Village Capital Corporation, Cleveland OH
- Virginia Citizens Consumer Council
- Virginia Poverty Law Center
- War on Poverty - Florida
- WashPIRG
- Westchester Residential Opportunities Inc.
- Wigamig Owners Loan Fund, Inc., Lac du Flambeau WI
- WISPIRG

Small Businesses

- Blu
- Bowden-Gill Environmental
- Community MedPAC
- Diversified Environmental Planning
- Hayden & Craig, PLLC
- Mid City Animal Hospital, Pheonix AZ
- The Holographic Repatterning Institute at Austin
- UNET

