PARTNERS FOR RURAL TRANSFORMATION

Policy Brief

Unlocking the Community Reinvestment Act's Potential to Ensure Persistent Prosperity in Rural America

October 15, 2021

www.ruraltransformation.org

For additional information,
please contact Jose Quinonez, PRT Director, at jose@pfrt.org.

Introduction

The Community Reinvestment Act (CRA) was enacted in 1977 to reverse the effects of racial redlining and address the lack of investments in low-income communities. Since its enactment, the CRA has been the vehicle for hundreds of billions of dollars of investments in the some of the most marginalized communities. However, the CRA's efficacy has never been fully realized in some of the most impoverished, yet resilient, communities in this country. These communities have experienced generations of extraction, divestment, and exclusion both by race and place. They must be strengthened to reverse the long-standing effects of structural racism and economic inequalities in rural communities.

While there are no easy solutions to systemic issues, the use of CRA as a tool to drive resources to the most excluded communities is a necessary part of the strategy. Leveraging the CRA to increase -- as much as three fold -- banks' investments, lending, and services in underserved communities can close wealth gaps in rural communities and ensure economic prosperity in all corners of America. In addition to spurring banks' actions, community development financial institutions (CDFIs) with a long-standing track record of serving these communities are an important conduit to increase the flow of CRA-motivated bank capital into areas typically unserved by it.

The decades of collective expertise and relations of the Partners for Rural Transformation demonstrates both the shortfalls, and untapped potential, of strengthening the CRA's reach, particularly through CDFIs. The Partners for Rural Transformation (PRT) is a national coalition of organizations committed to serving rural communities in persistent poverty. Collectively, PRT serves the vast majority of people living in persistently impoverished places, the majority of which are rural, with a significant presence in the Mississippi Delta, Appalachia, Indian Country, the Black Belt, and communities along the U.S. / Mexico Border. In the last 10 years alone, PRT has deployed over $2 billion reaching millions of people who reside in persistent poverty communities. Despite evidence of success, rural communities and the CDFIs that serve them receive far less investment than urban counterparts.

The ability to produce wealth-building opportunities to low-income households in rural communities hinges in large part on investments by banks in these communities. Unfortunately, 98% of banks pass their CRA exams under its current framework despite wide disparities within the financial system. The CRA must continue to hold financial institutions accountable, ensuring they give back to the communities from which they reap benefits. Additionally, as CRA motivates investments into it must account for the fact that not all CDFIs are the same. Rather, they operate in greatly different areas of the country, and as discussed herein, they vary drastically in their track-record of serving communities of color and persistent poverty communities.

Strengthening the CRA is critical to the economic recovery and resilience of households in the most marginalized communities, the valued communities millions of people call home. As such, the Partners for Rural Transformation makes the following recommendations to strengthen the Community Reinvestment Act, within the framework as proposed by the Federal Reserve in September 2020:

1. Assessment areas beyond bank branches should be based on a mix of lending and deposit activity.
2. Investments in designated areas of need must be meaningful and targeted to communities with low levels of lending activity.
3. Investments in CDFIs serving persistent poverty areas, communities of color, and designated areas of need should be meaningful and prioritized.
4. Ensure greater accountability for small banks, particularly those serving rural areas.
5. Maintain the current small business threshold for loan size and revenue.

This brief puts the Community Reinvestment Act in context of rural, persistent poverty areas. It then provides specific examples of bank partnerships with PRT CDFI members to highlight what could be possible if additional resources are made available, and can easily flow, into these communities. Finally, it concludes with specific recommendations to strengthen the CRA, within the framework as proposed by the Federal Reserve, to help unlock the CRA's potential for ensuring persistent prosperity in rural America.

Putting The CRA in Context of Rural Persistent Poverty Communities

The potential, and shortfalls, of the CRA must be considered against the backdrop of the existing underinvestment and economic disparities facing rural America, particularly persistent poverty areas. As defined by the U.S. Treasury CDFI Fund, persistent poverty is defined as an area with a poverty rate of 20% or higher for 30 years in a row. Of the country's 395 persistent poverty counties, eight out of ten are nonmetro (rural) and the majority (60%) of people living in persistent poverty counties are people of color. Philanthropic, bank and federal investment in community and economic development in regions of persistent poverty dramatically lags behind investment in places with significantly more resources, perpetuating and exacerbating inequity. For example, rural persistent poverty communities are not targets for bank branch location, and in fact, are frequently casualties of optimization strategies resulting in branch closures. The Housing Assistance Council reports that three out of four counties that lost at least 10% of a county's branches are in rural areas.

In the absence of branches, large bank Community Reinvestment Act assessment areas fail to reach into these communities – limiting another source of capital for redevelopment. As currently structured, absent a physical location in the community, a bank has no obligation to lend or invest there. This means communities in banking deserts, have a harder time attracting the resources needed to finance community needs such as affordable housing, hospitals, museums, or other job-creating activities.

A recent experience from PRT member Fahe demonstrates the creativity of CDFIs to increase capital flows into their regions, while at the same time demonstrating the limitations of CRA as currently structured. This is one of many examples which demonstrate, that if CRA can be strengthened in ways to increase bank investments in rural persistent poverty areas, it will unlock significant opportunities.

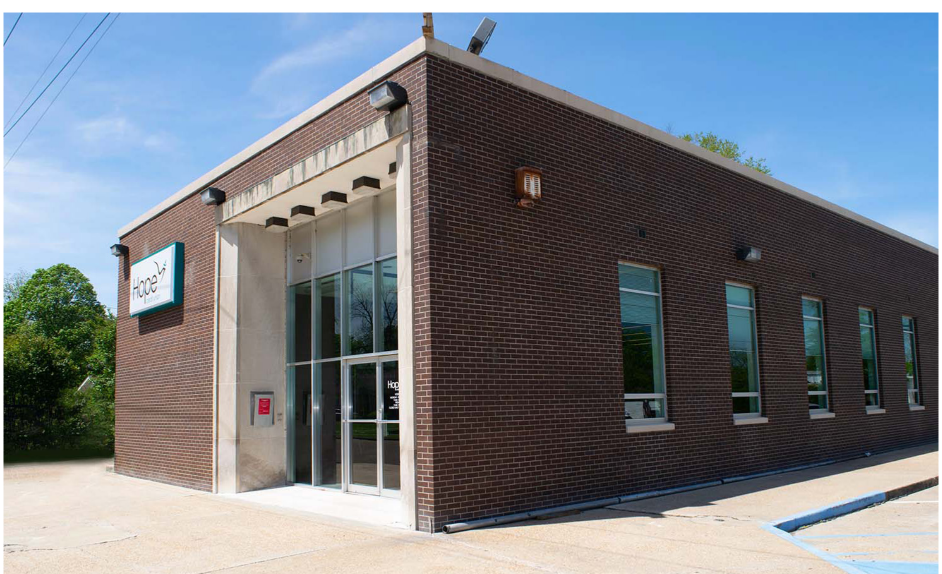
> Fahe worked to raise a $15.5 million multi-investor equity fund for workforce and recovery housing projects at scale to leverage Low Income Housing Tax Credits in small town and rural Appalachia. Fahe attempted to raise the capital from a few large investors, but could find no participation from large banks serving the region for whom the proposed projects were outside their assessment areas: BB&T, 5/3 Bank, PNC, and others all declined. Fahe's understanding was that because the housing was located outside of these larger banks' CRA assessment area, they passed on the opportunity to invest in small town and rural Appalachia, despite the fact that they frequently make loans in these areas. Fahe ended up raising that equity fund from eleven smaller state-based financial institutions, some whom had CRA assessment areas in the three small town or rural areas where the housing would be located.
>
> While thankful for these institutions' investment, working with eleven financial institutions on a $15.5 million deal complicated and raised its cost. Additionally, these institutions were small enough that they did not need to invest regularly. As such, Fahe has not attempted this kind of larger project fund again. Without the larger institutional investors we could not create the consistency of sustained funds needed to continue this work. If the larger regional and national banks had engaged in community development activities in smaller towns in the region, this could have been an opportunity to been able to replicate a successful investment strategy that could bring additional investments into small town and rural America today and for decades to come.[1]

Another tangible impact is difficulty accessing basic financial services, such as a bank account. Three-quarters of the 158 counties nationwide that have household unbanked/underbanked rates at 1.5 times the national average are persistent poverty counties. These gaps take different shapes in different regions:

- Along the Texas border, in persistent poverty counties such as Cameron, Hidalgo, Willacy and Starr between 14 and 18 percent of households remain unbanked and 20 to 24% remain underbanked, twice the proportion of households as that of Texas and the U.S., overall.[2] Each of these counties has a significant majority Latino population.[3]
- Communities Unlimited describes their experience in its Southern footprint, where there is a continued "consolidation of banks, inevitably leading to the closure of more rural branches…Most of Communities Unlimited's small business clients no longer have a local bank branch and must conduct their banking in the nearest metro- or micropolitan area."[4]
- In the Deep South states of Louisiana and Mississippi, more than 20% of Black households are unbanked, compared with less than 6% of white households.[5] The rural unbanked rates are higher in both states than the nation as a whole, and notably, over 40% of the population in Louisiana and Mississippi's rural counties are people of color.[6]

Further bank branch closures due to pandemic public safety measures and prolonged use of mobile and online banking services may further exacerbate the limited access of individuals in financial deserts in persistent poverty areas.

As a result, in persistent poverty places, CDFIs often provide the only access to affordable financial services. Either through branches operated by CDFI depositories or through the provision of mortgages and small business loans, CDFIs expand the continuum of responsible financial services available to local people in places with limited access to branches. Even here, investment in rural communities lags: Analysis conducted by the Opportunity Finance Network underscores this phenomenon with CDFIs. In looking specifically at rural CDFIs, only 31 cents of every dollar borrowed by rural CDFIs came from a bank. In contrast, over half of borrowed funds from urban CDFIs came from banks.[7]



Success Stories: Bank-CDFI Partnerships Increase Capital Flow To Rural Persistent Poverty Communities

The following are just a few examples of successful partnerships between PRT CDFI members and banks that increase the flow of capital to areas otherwise excluded from investment. If the CRA were strengthened to triple the amount of banks' lending, services, and investments in these communities, both through CDFIs and on their own, these are the types of transformative changes that could be multiplied and amplified.

Increasing access to small business loans: CU hired its first staff in Amarillo as COVID struck the region hard due to the prevalence of meat packing facilities. Despite the challenges, CU has provided intensive technical assistance to 27 businesses in Amarillo and rural communities of the Panhandle to help them manage through the economic fallout of COVID lockdowns and regulations. Two businesses received pivot loans to make significant changes to their business models and help them survive. When CU became a Payroll Protection Program lender, the banks collaborating in this initiative sent CU referred 6 PPP requests that they could not handle because of their small size. CU made 6 critically needed PPP loans totaling $79,000. In addition, CU is building leadership teams in small, rural communities in the Panhandle to make the communities more resilient and drive the development of the local economy through small businesses.

Increasing access to homeownership and affordable housing: From 2015 – 2019 cdcb (the only CDFI operating in the southernmost U.S. Mexico region) and the Rio Grande Valley Multibank Bank have deployed $84,517,353 of capital directly into persistent poverty counties comprised of a majority of households of color. These investments includes $31.5 million in mortgage lending, to support 338 mortgage loans. Of these, roughly 10% have been in rural areas, with a projected goal to increase that number seven fold over the next ten years. It also includes financing 291 affordable housing units, with $17 million in capital. Roughly half (47%) have been in rural communities, with significant increase forecasted over the next decade. cdcb's ability to produce wealth building opportunities to low-income households in the region hinges on investment from banks regulated by the CRA, and could be significantly expanded with increased bank investment.[8]

Increasing access to housing counseling: RCAC, in partnership with the Wells Fargo Foundation, provided critical, just in time support for Northern Circle Indian Housing Authority (NCIHA) continue its housing counseling services during the pandemic. NCIHA provides affordable housing services, including housing counseling to Native American households in the rural Ukiah, California area, serving a population with limited access to internet. RCAC and Wells Fargo Foundation partnered with NCIHA to ensure access to technology to keep its counseling services as employees transitioned to remote work during the pandemic. "Some of my clients were right there, on the verge of being homeowners. They didn't want to lose momentum… If we didn't have the Wells Fargo money through RCAC, my door would be closed. I wouldn't be able to help anybody," said Dana Novoa, housing counselor at NCIHA.[9]

Increasing access to financial services: Due to a partnership with Regions bank made possible by the CRA, HOPE is now the only depository institution in three small towns in the Mississippi Delta. The bank reached out to HOPE to explore an innovative partnership to keep financial services in very small, high poverty towns. Ultimately, the bank chose to transfer the physical branches to HOPE, provide opportunities to market HOPE's services to existing bank customers prior to the transfer and provided an accompanying grant to invest in HOPE's start-up costs. The impact of these braches was tangible for life-long residents of the community. For example, after HOPE opened the donated branch in Itta Bena, Ms. Fannie Dotson Opened her first checking account on her 100th birthday.[10] HOPE's Itta Bena branch 70% of the deposits in the Itta Bena market, totaling $1.2 million in deposits. As HOPE CEO Bill Bynum noted at a recent Aspen Institute Forum, underscoring why outside investment into communities and the financial institutions that serve them is so critical: "That's certainly not enough to create the opportunity ladders that people in that community need. And there are Itta Benas across the Delta, across the Deep South, in Appalachia, in Latino communities."[11]

Recommendations For Strengthening The Community Reinvestment Act

The Community Reinvestment Act has historically been jointly enforced by the three banking regulators, the Office of the Comptroller of the Currency (OCC), the FDIC, and the Federal Reserve. In June 2020, the OCC finalized new changes to the CRA on its own, with the agreement of the two other regulators. The OCC's final rule contains many changes that weaken the CRA's effectiveness overall, and particularly limit its reach to persistent poverty communities. By contrast, in December 2020, the Federal Reserve released a proposed overhaul of the CRA, solicited public comments over a four-month period, and is currently considering proposed changes to the CRA in light of the feedback received. This section emphasizes key areas of strengthening the CRA within the framework of the Federal Reserve's proposal.

Overall, the Federal Reserve's proposal is a promising opportunity to ensure CRA works for our communities. The framework recognizes important considerations for reaching historically overlooked communities, including persistent poverty areas and communities of color. The Federal Reserve is correct to explicitly recognize that racial equity is inextricable from the CRA's history, purpose, and the "ongoing systemic inequity in credit access for minority individuals and communities." Race and ethnicity should be included in the specific metrics by which banks are evaluated for CRA purposes.

Even in light of this promising framework, the proposal must be improved in key areas in order to achieve the intent and purpose of the CRA. As an overarching matter, the proposal must be strengthened to improve banks' current practices. It is not clear how the current CRA proposal will do so. Currently, over 98% of banks have a passing CRA grade, yet, our communities face persistent disinvestment and lack of access to banking services, including loans.

As the Federal Reserve moves to the rulemaking phase, it must ensure that banks do more and do better to ensure these investments actually reach rural communities, particularly rural communities of color and persistent poverty areas.

To that end, five areas of improvement are critical:

1. Assessment areas beyond bank branches should be based on a mix of lending and deposit activity.
2. Investments in designated areas of need must be meaningful and targeted to communities with low levels of lending activity.
3. Investments in CDFIs serving persistent poverty areas, communities of color, and designated areas of need should be meaningful and prioritized.
4. Ensure greater accountability for small banks, particularly those serving rural areas.
5. Maintain the current small business threshold for loan size and revenue.

Each of these recommendations are discussed in detail below.

1. **Assessment areas beyond bank branches should be based on mix of lending and deposit activity.**

   In order for CRA investments to reach banking deserts, the CRA must be strengthened to ensure banks to have CRA obligations in areas in addition to where their branches are located. Areas in which banks have CRA obligations are known as assessment areas. In new assessment areas delineated beyond a banks' physical location must ensure that banks investments actually flow to benefit rural persistent poverty communities.

   Towards this end, non-facility based assessment areas be determined based on a mix of lending and deposit activity. Other proposals, such as a national assessment area for internet banks, or new assessment areas based on deposits alone, will lead to CRA investments continuing to bypass the hardest to reach communities. In refining the details of assessment areas based on the mix of lending and deposit activity, the Federal Reserve should examine which variations maximize reach to people and communities in rural, persistent poverty areas. In addition, to improve the identification of CRA gaps, the Federal Reserve should develop a CRA assessment area map of the United States. Several years ago, the Federal Reserve Bank of Atlanta created a mapping tool to illustrate the network of branches for the twenty largest banks in the Southeast region. A similar analysis covering the various regions of the country could provide a proxy overview of potential CRA gaps in persistent poverty areas nationwide.

2. **Investments in designated areas of need must be meaningful and targeted to communities with a low-level of lending activity**

   One of the ways in which the Federal Reserve seeks to draw CRA-motivated community development investments into areas beyond bank locations is through the creation of a construct called, "designated areas of need." They are seeking feedback on how such designations should be defined. Investments into these designated areas would be eligible for CRA credit, even if not in a bank's assessment areas. This approach holds great promise to help target investments into historically underserved areas. As the Federal Reserve seeks to finalize how it will define these designated areas of need and construct ways for CRA investments to flow there, more is needed to ensure these investments are actually made and reach these communities.

   Towards this end, the Partners for Rural Transformation makes the following recommendations:

   - CRA credit for investments in "designated areas of need" must be given enough weight within the CRA evaluation to actually incent investments;
   - The designated areas of need must be correctly defined to ensure investments reach the most underserved communities. Specifically, PRT urges the Federal Reserve to identify designated as areas in the two lowest quintiles of per capita small business and mortgage lending, plus areas in the third quintile that are also persistent poverty and over 85% people of color
   - The type of investments must be meaningful, specifically prioritizing equity, secondary capital, and equity equivalent; and
   - CRA credit for investments in designated areas of need must take into account both people and place – ensuring the investments actually reach low-income people and people of color living in these designated areas.

Defining Designated Areas of Need

In its proposal, the Federal Reserve provides a proposed list of criteria for designated areas of need. This list, however, is too broad to ensure distressed communities benefit. For example, the HUD-designated Colonias is non-inclusive, and often outdated based on the reality of Colonias neighborhoods. In the Rio Grande valley, HUD's identification of Colonias does not incorporate all new Colonias in the area. Furthermore, if the Federal Reserve defers to the Federal Housing Finance Administration's definition of Colonias per the Duty to Serve guidelines, this will also exclude numerous Colonias in South Texas where there is a current deficit of physical bank presence and investment.[12] As another example, the Appalachian Regional Commission designations often include higher income areas, thus creating an opportunity for banks to bypass lower income Appalachian communities. Finally, utilizing the designation of distressed county by the Delta Regional Commission (DRC) alone may not be sufficient to reach people of color or low-income borrowers in those counties. For example, in Sunflower County, MS, home to Fannie Lou Hamer and Parchman Prison, the countywide income is $43,000. The average household income in white communities is $67,900, for communities of color, it is $33,000. Over 73% of the population in Sunflower County is Black.[13] Additionally, eight persistent poverty counties in Mississippi are in the bottom two quintiles of per capita small business and home lending, as measured by NCRC, yet are not captured by DRC's coverage area.[14] Five of these counties are counties where 50% or more of the population are people of color.

In addition, designating all persistent poverty counties as a designated area of need for the purposes of incenting additional investment may bypass more rural and harder to serve persistent poverty areas. An examination of the New Market Tax Credit (NMTC) program is an informative example.

Between 2003 and 2017, **65%** of NMTC allocations in persistent poverty areas have been concentrated in six urban communities.[15] By contrast, just **5%** of NMTC allocations during this time have been invested in rural persistent poverty counties.[16]

Rather, Partners for Rural Transformation is generally supportive of the option provided in the Federal Reserve's proposal to identify designated areas of need based on "areas that have low levels of home mortgage or small business loans as identified by lending data." The National Community Reinvestment Coalition (NCRC) has proposed a promising approach of defining "designated areas of need" as underserved areas based on low-levels of per capita home lending and small business lending in those areas. Based on PRT's analysis of NCRC's data, the two lowest quintiles of counties reach over 75% of persistent poverty counties, including communities of color in rural areas that tend to be most overlooked by other types of designations. As such, PRT urges the Federal Reserve to identify designated as areas in the two lowest quintiles, plus areas in the third quintile that are also persistent poverty and over 85% people of color.

3. **Investments in CDFIs serving persistent poverty areas, communities of color, and designated areas of need should be meaningful and prioritized.**

While Partners for Rural Transformation is generally supportive of the Federal Reserve's proposal to allow CRA credit regardless of whether CDFIs' are located in a bank's assessment area, more must be done to ensure these investments reach communities of color and other historically overlooked communities. Further, the amount of investments must be meaningful in size and in type. Specifically, the types of investments that must be prioritized are: equity, secondary capital, equity equivalents, and others such as donations of bank branches.

As noted by Fahe, "the current ANPR treats all community development financial institutions (CDFIs) relatively the same, when in reality, these institutions operate in greatly different areas that have different proximity to wealth, banking centers, and deal size options….As long as banks are scored equally for funding one large project in a large city, as they are for funding many smaller projects in harder to reach areas, banks will continuing prioritizing investment in high capacity CDFIs who fund large projects in large cities. This incentive structure will not do enough to direct capital to too many of the underserved people that are not seeing enough of it."[17]

Further, data from HOPE Policy Institute show that even though CDFIs, including CDFI banks, are charged with serving low-income communities, this does not mean they are equally reaching borrowers of color in these regions. Stark examples are evident in Mississippi, where so much of the state qualifies geographically as low-income, and nearly 40% of Mississippi's population is Black. Using 2019 HMDA mortgage lending data, HOPE found that among the 27 CDFI banks in Mississippi engaged in mortgage lending in the state, 71% of mortgage loans went to white borrowers while only 13% went to Black borrowers.[18] This is lower than the statewide rate of mortgage originations in 2019 to Black borrowers at 17%. By contrast, Hope Credit Union made 83% of its mortgage loans to Black borrowers As such, racial disparities along economic lines also provide important context.

The Federal Reserve should prioritize investments into CDFIs that demonstrate a strong track record of serving both people and communities in persistent poverty areas, designated areas of need, and/or communities of color. The Federal Reserve should base the determination on CDFIs' track record of lending in these areas and to the people who live there. Partners for Rural Transformation also supports proposals to increase investments into minority depository institutions, and CDFIs that are designated as minority lending institutions as defined by the Consolidated Appropriations Act of 2021. These are CDFIs where "a majority of both the number and dollar volume of arm's-length, on-balance sheet financial products…are directed at minorities or majority minority census tracts or equivalents."[19]

4. **Ensure greater accountability for small banks, particularly those serving rural areas.**

As the Federal Reserve and other regulators move to strengthen the CRA, local banks with a rural presence should not be able to bypass accountability. Increasing carve-outs will make it harder to close existing gaps in these regions, particularly for communities of color in rural areas. As such, PRT prioritizes preserving the existing threshold for small bank designation, preserving the requirement that community development services primarily focus on financial services (rather than unrelated volunteer activities), and not allowing small banks to remove from their assessment areas parts of a county in which they are located. Simply put, banks, particularly banks in rural areas, should not be able to count general volunteering in place of meaningful lending activities or even volunteer activities related to providing financial services.

Finally, as regulators move to strengthen the CRA, Partners for Rural Transformation challenges assumptions of lack of capacity for community development in rural areas and any proposed reduction of community development requirements in these communities. Rural leaders have demonstrated time and time again the capabilities to do more with less, reaching people in the hardest to reach corners of this country. Collectively over the last 10 years alone, members of Partners for Rural Transformation, have deployed over $2 billion reaching millions of people who reside in persistent poverty communities. These investments have been in the form of mortgage lending, small dollar loans, community investments of hospitals and non-profit organizations, rural water systems, broadband, small business loans, housing counseling, and more. They do this work, however, against a consistent backdrop of underfunding. For example, from 2010-2014, grant making in Appalachia, the Mississippi Delta and the Rio Grande Valley was around $50 per person – well behind the national average of $451 and $4,096 in San Francisco. The Federal Reserve should strengthen, not exempt, banks' community development investments in rural communities, particularly communities of color and persistent poverty communities.

5. Maintain the current small business threshold for loan size and revenue.

Entrepreneurs in our regions are generally smaller with lower revenues and rely on smaller loans to spur their growth. It is critical that any strengthening of the CRA does not include an increase in the loan size and revenue thresholds for what is considered a "small business loan" eligible for CRA credit. The thresholds for both are currently set at $1 million, with the Federal Reserve considering to increase it to $1.65 million. PRT members' decades of experiences working with entrepreneurs of color and rural entrepreneurs in persistent poverty areas has demonstrated that there is a significant difference in the risk profiles of businesses with less than $1 million in sales versus those with $1.65 million in sales as relates to years of management experience and available collateral. In other words, raising the thresholds simply rewards banks for making loans that they would otherwise make. Ultimately, the increase in these thresholds will increase the likelihood that banks will meet requirements without the intended social benefit of decreasing the gap, because they will be able to meet the requirements by simply investing in larger firms while bypassing the small business needs of America's rural communities.

Conclusion

In a November 2019 report, Transforming Persistent Poverty in America, Partners for Rural Transformation provided solutions to increase bank investment into rural communities, particularly those in persistent poverty.[20] The banking sector is a critical community development investor. The CRA is a key driver for bank partnerships with CDFIs and it serves as an impetus for funding CDFIs to expand access to capital to people and places beyond the boundaries of a bank's business model. In the absence of bank investment, particularly into CDFIs, people's ability to start a small business, purchase a home or to begin building one's credit is limited. For these reasons, Partners for Rural Transformation push for a strengthened CRA that moves banks to do more and do better to promote prosperity in rural communities throughout the country.

Support for this policy brief was provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Foundation.

[1] Fahe, Comment to the Federal Reserve Board of Governors, Community Reinvestment Act Regulations, Feb. 2021 (Fahe Comment)

[2] cdcb, Comment to the Federal Reserve Board of Governors, Community Reinvestment Act Regulations, Feb. 2021

[3] US Census (cdcb Comment)

[4] Communities Unlimited, Comment to the Federal Reserve Board of Governors, Community Reinvestment Act Regulations, Feb. 2021 (CU Comment)

[5] FDIC, 2019 How America Banks: Household Use of Banking and Financial Services, available at www.economicinclusion.gov

[6] U.S. Census Bureau, American Community Survey, 2017

[7] Opportunity Finance Network, "Bank Investment Falls Short in Rural America," Feb. 2020, available at https://ofn.org/advocacy-tools-and-fact-sheets

[8] cdcb Comment

[9] RCAC," Wells Fargo Foundation grant supports housing counseling services to Northern California Tribes," Sept. 22, 2020, https://www.rcac.org/success-stories/wells-fargo-foundation-grant-supports-housing-counseling-services-to-northern-california-tribes/

[10] Hope Credit Union, "Southern Charm and Savings in Itta Bena, MS," https://hopecu.org/stories/southern-charm-and-savings-in-itta-bena-ms/

[11] Eric Johnson, "The Bank of Itta Bena," Carolina Alumni Review, July 8, 2021, https://www.carolinaalumnireview.com/carolinaalumnireview/20210708/MobilePagedArticle.action?articleId=1711376#articleId1711376

[12] cdcb Comment

[13] Urban Institute Debt in America Interactive Map, https://apps.urban.org/features/debt-interactive-map/?type=overall&variable=pct_debt_collections&state=28&county=28133

[14] HOPE, Comment to the Federal Reserve Board of Governors, Community Reinvestment Act Regulations, Feb. 2021 (noting Delta Regional Authority defines distressed as having "An unemployment rate of one percent higher (5.2 percent) than the national average (4.2 percent) for the most recent 24-month period; and having a per capita income of 80 percent or less of the national per capita income." https://dra.gov/funding-programs-states-economic-development/states-economic-development-assistance-program/distressed-counties-and-parishes/)

[15] HOPE, Comment to the Federal Reserve Board of Governors, Community Reinvestment Act Regulations, Feb. 2021 (providing analysis of data from the CDFI Fund NMTC Awards and U.S. Census Bureau)

[16] Id.

[17] Fahe Comment

[18] Hope Policy Institute Analysis of 2019 HMDA loan origination data accessed March 29, 2021 at https://ffiec.cfpb.gov/databrowser/data/2019?category=states and CDFI certification data from the CDFI Fund available at https://www.cdfifund.gov/programs-training/certification/cdfi

[19] Sec. 523(c)(4) of the Consolidated Appropriations Act of 2021

[20] Partners for Rural Transformation, "Transforming Persistent Poverty in America: How Community Development Financial Institutions Drive Economic Opportunity," Nov. 2019, https://www.ruraltransformation.org/wpcontent/uploads/2020/03/Transforming_Persistent_Poverty_in_America_-_Policy-Paper-PRT-_FINAL.pdf

PARTNERS FOR RURAL TRANSFORMATION