



## FOR IMMEDIATE RELEASE

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## Seven Mississippi Community Development Banks Receive Record Levels of Critical Funding to Stimulate Economic Development throughout the State

**Washington, DC, September 19, 2017** – The US Department of Treasury’s Community Development Financial Institutions (CDFI) Fund today awarded **\$6.8 million** to **seven Mississippi banks** through the CDFI Program Awards. The community development banks will reinvest these awards in distressed communities to support small business lending and promote affordable housing, neighborhood revitalization, and expansion into new geographic markets. Mississippi banks received the largest proportion of these funds, with nearby states Arkansas, Louisiana, and Missouri accumulating the next highest totals. The awards come at a time when more communities are falling further behind economically. Last week, the US Census Bureau released its annual benchmark data on income, poverty, and health insurance for 2016, which revealed that income inequality continues to rise. According to the Census data, this problem is most acute in Mississippi, with a poverty rate of 20.8% and the lowest median household income in the nation.

“The CDFI banks recognized today by the Treasury Department are on the front line fighting poverty and creating economic opportunity in the places that have been left behind by growing income inequality,” said Jeannine Jacokes, Chief Executive Officer of the Community Development Bankers Association. “Mississippi community development banks have been part of the solution to reduce the state’s poverty rate, the highest in the nation. We need more mission-focused banks like these, and more resources to support the communities.”

The CDFI Program has proven to be an effective tool in stimulating significant private investment in community development with a very small percentage of government funding. Last year, CDFI Program recipients used their awards to:

- Finance over 13,300 businesses
- Provide funding for over 33,500 affordable housing units
- Provide over 427,000 individuals with financial literacy or other training

Despite the enormous success of the program in revitalizing the disenfranchised communities in rural and impoverished urban areas of the country that are often ignored in the federal budget, the Trump

Administration has proposed immediate cuts to the CDFI Fund in FY 2018. These cuts would imperil economic prospects for communities that benefit from programs like the CDFI Program. The House has voted to retain partial funding for the CDFI Fund. The Senate has not yet marked up its FY 2018 bill.

### **About the CDFI Fund**

The Community Development Financial Institutions (CDFI) Fund was created by the Riegle Community Development and Regulatory Improvement Act of 1994. As a bureau of the US Treasury Department, the CDFI Fund operates programs that use modest amounts of Federal money to leverage a multiple of private sector capital to promote revitalization of low-income communities and bring disenfranchised populations into the economic mainstream.

The annual CDFI Program uses monetary awards and training opportunities to invest in and build the capacity of CDFIs, enabling them to drive community revitalization in areas with over 30% poverty and 1.5 times the national unemployment rate. Since the CDFI Program was launched in 1994, organizations have received over \$2 billion in Financial and Technical Assistance, and the number of certified CDFIs has increased tenfold.

### **About CDBA**

The Community Development Bankers Association is the voice and champion of the community development banking movement. CDBA and its 69 member banks work to make the banking industry a force for good by collectively promoting financial inclusion and creating economic opportunity in the nation's most economically distressed rural and urban communities. We convene community banking peers who strengthen a different kind of banking through collaboration, partnership, and learning. Of the 27 CDFI-certified banks receiving awards from the 2017 CDFI Program, 22 are CDBA members.

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