



**FOR IMMEDIATE RELEASE**

September 22, 2022

## **Community Development Bankers Association Members are Leading Institutions of Treasury's Emergency Capital Investment Program**

*Historic \$8.28 Billion Investment in Community Development Financial and Minority Depository Institution Banks (CDFI)*

**Washington, DC**, Yesterday, the U.S. Department of the Treasury announced the closing of \$8.28 billion in Emergency Capital Investment Program (ECIP) investments for depository institutions that are certified Community Development Financial Institutions (CDFIs) or Minority Depository Institutions (MDIs). Among the 163 bank and credit union institutions receiving these investments, the majority are CDFI or MDI banks: 93 (57%) of total ECIP participants are banks, receiving \$6.28 billion (76%) of the total ECIP investment amount. These banks have a primary mission of promoting community development, working in communities that lack access to credit and inadequately served by the traditional banking industry. The ECIP program's historic investments are critical to the ongoing efforts of CDFI and MDI banks to respond to the long-term economic impacts of the COVID-19 pandemic on distressed and underserved communities and people.

*"These essential funds provide opportunity to underserved communities across the country, helping them to regain their footing following the pandemic and strengthening their resilience against future shocks," said **Secretary of the Treasury Janet L. Yellen**. "Today's announcement is a significant step toward expanding access to the capital and services to rebuild and fuel long-term economic growth."*

Together, ECIP investments represent the largest single capital infusion made by the Treasury Department into mission-focused financial institutions. CDFI and MDI banks will channel this lending capital to local businesses, nonprofits, community service providers and individuals, to help vulnerable communities rebuild from the devastating effects of the pandemic.

*"At the onset of the COVID-19 health and economic crisis, CDFI and MDI banks leapt into action serving as the financial "first responders" for distressed rural, urban and minority communities. ECIP provides an unprecedented opportunity for mission-focused banks to expand and introduce new services into underserved communities," said **Jeannine Jacokes, CEO of CDBA**. "The fact that such a large portion of ECIP banks are CDBA members speaks to their historic and future commitment to promote economic inclusion among those often left out of the economic mainstream. We thank the members of Congress who worked to craft and pass the legislation. We commend the Treasury for its efforts to quickly deploy the funds and support the industry."*



CDBA members are well-represented in the program with 65 member banks as investees, representing 40% of all investees and 70% of bank investees by number. CDBA members received \$4.75 billion, or 57% of the total ECIP investment amount and 76% of the ECIP investment amount directed to banks. ECIP bank investments were made in 38 states, of which 25 states had investments directed to banks (23 states of which have CDBA ECIP participants). The states receiving the most ECIP investments include Mississippi, Louisiana, North Carolina, California, and Texas.

CDBA congratulates its members recognized by Treasury for demonstrating early leadership in “deep-impact” lending, as defined under the program:

- **Native American Bank** recently closed a \$10 million loan to finance an opioid addiction treatment facility in North Dakota, in partnership with a Tribe that used American Rescue Plan funds as seed funding for the facility.
- **Carver State Bank**, based in Georgia, recently extended a working capital loan in the amount of \$650,000 to an Atlanta-based, Black owned housing developer that is building affordable single-family homes.
- **Optus Bank**, based in South Carolina, lent \$4.5 million to a minority-owned, family entertainment center for its facilities and operations in a rural, persistent poverty county. The ECIP investment has allowed Optus to approve more than \$30 million in loans over the past four weeks, when their average monthly lending last year was about \$1 million.
- **Southern Bancorp**, based in Arkansas, made an approximately \$700,000 loan to a 501(c)(3) rural, affordable housing provider, which is run by an African American female developer; the proceeds are being used to purchase and develop 82 acres of land in a persistent poverty county to build single family homes as affordable rental units.

### About ECIP

Treasury’s September 21, 2022 ECIP Announcement – [Press Release](#) and [List of Recipients](#)

### About CDBA

The Community Development Bankers Association is the voice and champion of the community development banking movement. CDBA and its 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. Visit [www.cdbanks.org](http://www.cdbanks.org).

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