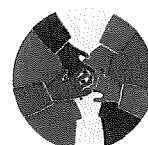


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Multi-Service Center

June 18, 2015

Martin Gruenberg
Chairman of the FDIC
550 17th Street, NW
Washington, DC 20429
SENT VIA EMAIL

Minority Concerns That FDIC Premium Changes Could Adversely Affect Minority-Owned Banks

Dear Chairman Gruenberg,

The National Diversity Coalition strongly supports your concept of substantially reducing deposit insurance premiums for small banks (American Banker, June 16 "How FDIC Would Change Premiums for Small Banks").

According to The American Banker, at least 60% of eligible community banks would secure a premium reduction and only approximately 20% would face increased assessments.

We fear, however, that a disproportionately large percentage of banks that would see a premium increase would be Black- and Latino-owned banks.

We are concerned, for example, with the disappearance of Black-owned banks that have been marginalized in part by the practices of larger white-owned banks seeking their traditional middle-class and upper-middle-class clients. This has in effect "forced" Black-owned banks to assume "risks," at least as defined by the regulators.

Partly as a result of this, the number of Black-owned banks over the last 25 years has been reduced by 60%, from 55 to 22. It is now rare that a Black-owned bank can expand. Similar problems affect Latino-owned banks, which is why there are relatively few Latino domestically-owned banks as opposed to foreign-owned Latino banks. In California, for example, despite 16 million Latinos and more than 1 million Latino-owned businesses, there is no Latino-owned bank with more than \$200 million in assets. For example, our largest California-headquartered bank, Wells Fargo, has assets ten thousand times greater than that of the largest domestic Latino-owned bank in California.

As for Southeast Asian American-owned banks, the absence of positive policies by the regulators has essentially eliminated any Southeast Asian American-owned banks. For example, despite 4 million Filipino Americans, there are no Filipino American-owned banks. Further, the two Vietnamese American-owned banks focusing on attempting to serve more than 2 million Vietnamese Americans have



essentially disappeared. Similarly, our nation's only Cambodian-owned bank has disappeared.¹

If possible, this is one of the subjects we would like to discuss with Deputy Director Jonathan Miller at our proposed meeting in DC during the week of July 21.

Most respectfully,

/s/ Faith Bautista
President & CEO, National Asian American
Coalition

/s/ Mark Whitlock
Senior Minister, COR AME Church, Irvine, CA
Director of Corporate Partnerships, 5,000
African Methodist Episcopal Churches
Executive Director, Ecumenical Center for
Black Church Studies
Chair, Orange County Interdenominational
Alliance

/s/ George McDaniel
Co-Chair, African Americans for Economic
Justice

/s/ Theresa Martinez
Chief Executive Officer, Los Angeles Latino
Chamber of Commerce

/s/ Daniel de Leon
Senior Pastor, Templo Calvario

/s/ Charles Dorsey
Executive Director, COR Community
Development Corporation, Irvine, CA

/s/ Jin Sung
Executive Director, OASIS Center
International

/s/ Cora Oriel
President, Asian Journal Publications

/s/ Sam Rodriguez
President, National Hispanic Christian
Leadership Conference of 40,000 Latino
Churches

/s/ Jesse Miranda
Founder, Jesse Miranda Center for Hispanic
Leadership
Former CEO, National Hispanic Christian
Leadership Conference

/s/ Gilbert Vasquez
Chair, Los Angeles Latino Chamber of
Commerce Serving 250,000 Latino
Businesses

/s/ Lee de Leon
Pastor, Templo Calvario

/s/ Vivian Araullo
Executive Director, West Bay Pilipino Multi-
Service Center

/s/ Cathy Zhang
Executive Director, Chinese-American
Institute for Empowerment
Sound of Hope

/s/ Alex Anderson
Co-Chair, African Americans for Economic
Justice

¹ In the Asian American community, the only viable Asian American-owned banks are Chinese American- and Korean American-owned banks, some of which, Korean-owned in particular, fail to serve other Asian American or other minority groups.