
FDIC establishes office to support 'mission-driven' banks

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The Federal Deposit Insurance Corp. created an office to support its engagement with mission-driven banks, such as minority depository institutions and community development financial institution banks.

"Mission-driven banks are the financial lifeblood of their communities, enabling individuals and minority-owned small businesses to securely build savings and obtain credit," Chairman Jelena McWilliams said in a statement Nov. 2. "By establishing the Office of Minority and Community Development Banking, we expand our engagement and collaboration in support of these institutions as part of a broader commitment to increasing financial inclusion."

The Office of Minority and Community Development Banking is the latest in a series of actions McWilliams has directed for the FDIC's minority depository institution program, the agency said.

For example, in September, Truist Financial Corp. and Microsoft Corp. were announced as anchor investors, while Discovery Inc. will join as a founding investor for the FDIC's Mission-Driven Bank Fund.

The combined initial investment totals \$120 million, with additional investments expected, the FDIC said in a news release. The fund will serve minority depository institutions and community development financial institutions, which support minority, lower income and rural communities.

In addition, the FDIC said it published a research study on changes for minority depository institutions over an 18-year period and adopted "new processes to facilitate preservation of the minority character" of such an institution if there is a failure.

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