



A Covered CA Certified Enrollment Entity

Dear Mr. Sheesley,

My name is Pepi Jackson, and I have the pleasure of serving as the CEO of the Riverside County Black Chamber of Commerce in Southern California. Our Chamber's mission is to empower African American and minority entrepreneurs and small business owners to succeed in business. We aim to provide Black entrepreneurs and small business owners in our community with the tools, knowledge, and resources they need to achieve their economic goals.

As you know, community banks provide a significant portion of the lending to small, minority-owned businesses. Their local relationships and understanding of their unique markets allow them to make lending decisions where big banks often fall short. The FDIC's proposed rule would be a step backward in ensuring that local banks, particularly those in underserved communities, can partner with innovative, modern financial institutions to reach new depositors, build liquidity, and expand lending. After just four years, a change now could create confusion and uncertainty for local lenders, forcing them to limit loans that support minority-owned businesses in Riverside County and beyond.

Black-owned businesses already face significant barriers to accessing capital, even among owners with strong credit. Rather than moving forward with this rule change quietly, the FDIC needs to conduct a thorough analysis of how this rule could impact Minority Depository Institutions and Community Development Financial Institutions and the communities they serve. Without better information, community banks and their customers shouldn't be penalized for taking steps to increase access to capital. Entrepreneurs with the drive and vision to succeed may see their opportunities shrink if local banks are forced to cut back on lending or worse, close their doors.

Minority-owned businesses are vital to the economic fabric of our communities. That's why I strongly urge the FDIC not to move forward with this proposed rule to ensure that minority entrepreneurs continue to have equitable access to financial services.

Sincerely,

Pepi Jackson
CEO, Riverside County Black Chamber of Commerce