



**NCUA**  
National Credit Union Administration

Martha Ninichuk, Director

Pamela Williams, Program Manager

Office of Credit Union Resources and Expansion

# **2019 Annual Report to Congress on Preserving Minority Depository Institutions**

June 25, 2020

# Introduction to the Report

**This report to Congress is submitted in accordance with Section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and Section 367 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and is available on the agency's website.**

# Minority Depository Institutions

- A federally insured credit union can qualify as an MDI if 50 percent or more of its board members, current members, and eligible potential members combined with current members are minorities.
- A “minority” is defined as any “Black American, Asian American, Hispanic American, or Native American,” according to Section 308 of FIRREA.

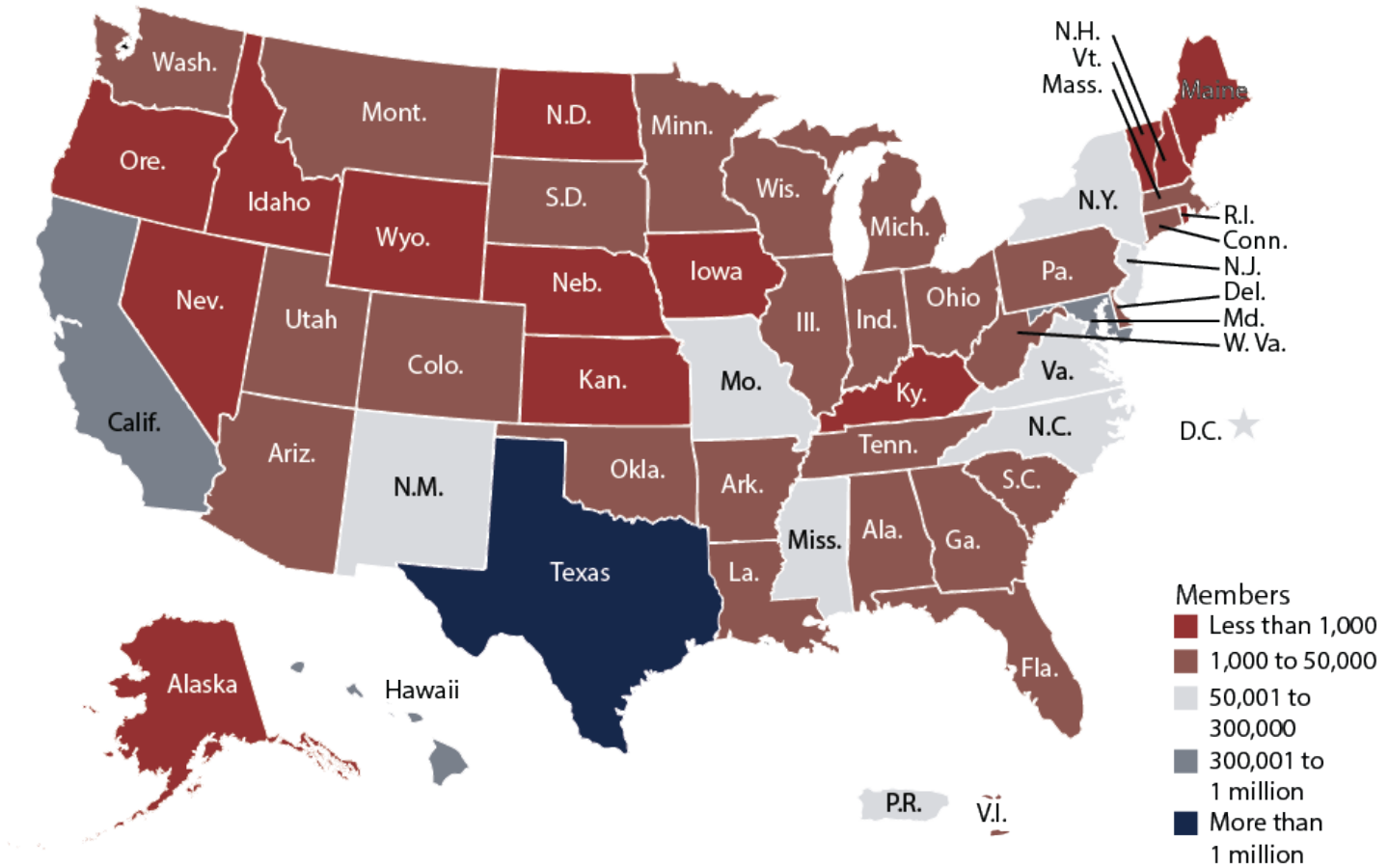
# MDI Financial Performance in 2019

- **514 credit unions had the MDI designation in 2019, or approximately 10 percent of all federally insured credit unions.**
- **MDI credit unions served more than 3.9 million members and had assets of \$40.5 billion.**
- **In 2018, there were 529 MDI credit unions with total assets of \$38.5 billion and nearly 3.9 million members.**



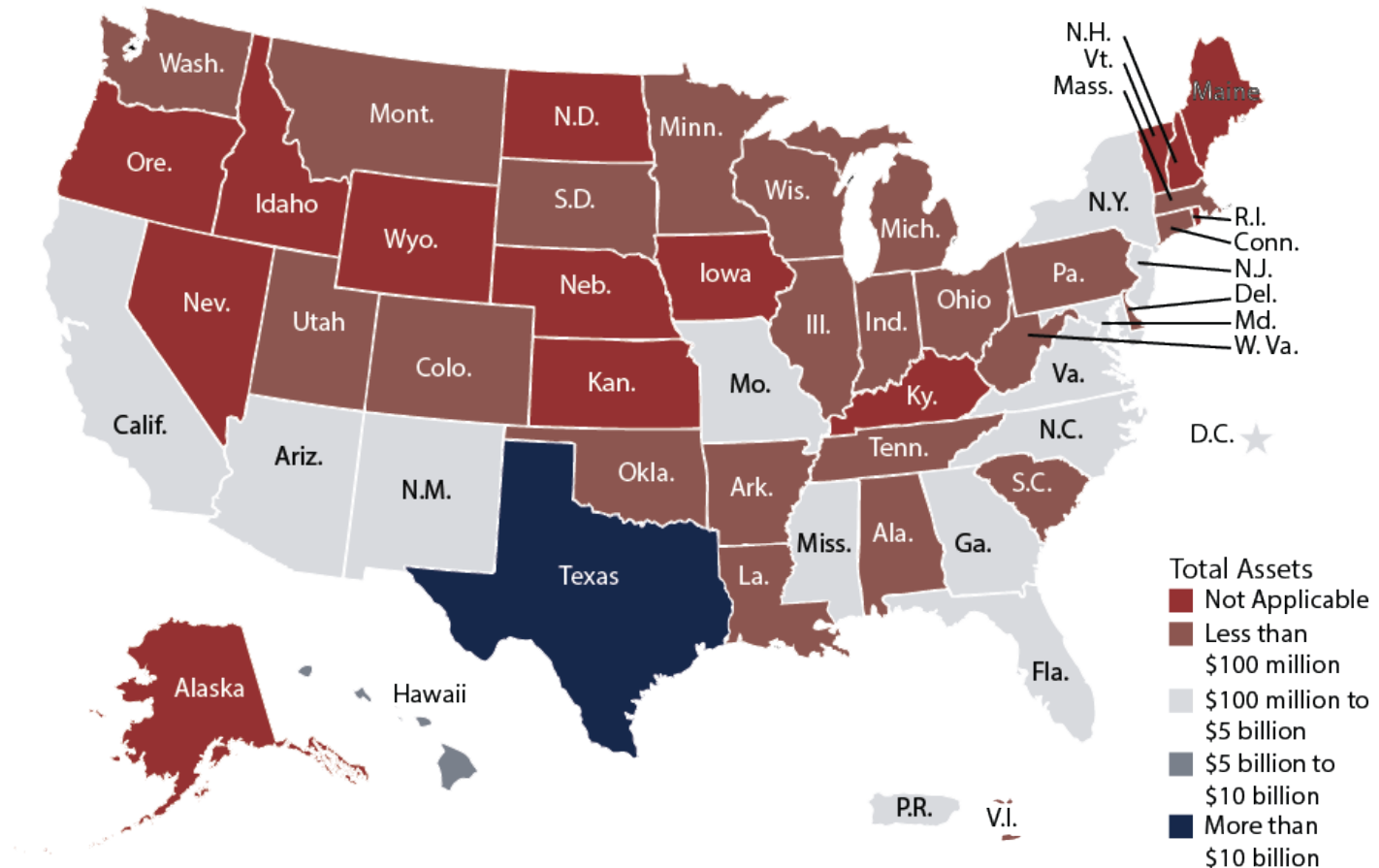
# MDI Members by State

Total Number of Minority Depository Institution Members



# Aggregate MDI Assets by State

## Total Minority Depository Institution Assets



# MDI Preservation

- **Under FIRREA, the NCUA has a statutory obligation to preserve existing and promote the formation of new MDIs.**
- **Through the NCUA, MDI credit unions have access to grants and loans, as eligible, training, technical assistance, and guidance from examiners.**



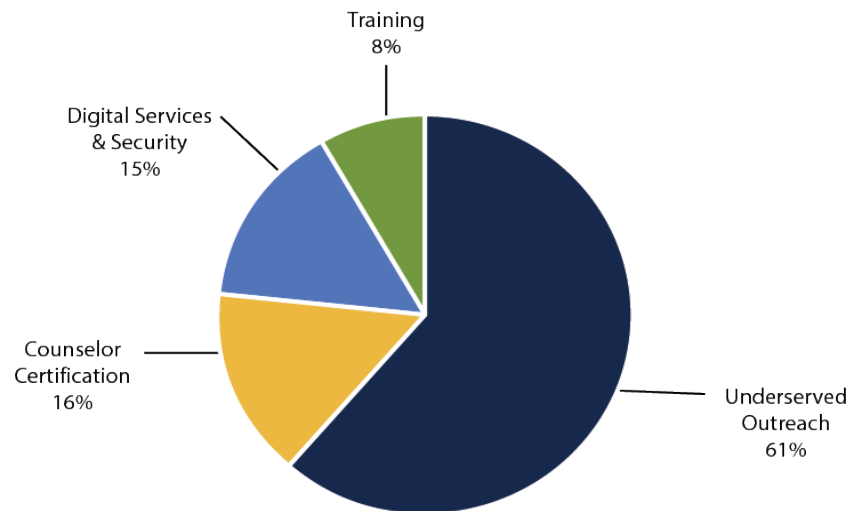
# MDI Mergers and Chartering

- **20 MDIs merged into other credit unions during 2019, six of the continuing credit unions were MDIs.**
  - MDI mergers represented approximately 14 percent of all merger approvals
- **NCUA chartered one new MDI federal credit union in 2019, the Otoe-Missouria Federal Credit Union in Red Rock, Oklahoma.**

# Technical Assistance Grants

- Awarded \$738,000 in technical assistance grants to 58 MDI credit unions.
- Three MDIs received \$75,000 as part of the MDI Mentoring Pilot Initiative.

2019 Grants to MDIs By Funding Initiative



# Looking Forward Into 2020



Following his remarks, Chairman Rodney E. Hood moderated a panel discussion on the importance of MDI preservation that featured Joseph Otting, Comptroller of the Currency; Bimel Patel, Assistant Secretary for Financial Institutions at the U.S. Department of the Treasury; Jelena McWilliams, Chairman of the Federal Deposit Insurance Corporation and Michelle Bowman, Governor, Board of Governors of the Federal Reserve System.

- **Co-sponsored the Freedman's Bank Forum.**
- **Hosted a two-day MDI Forum.**
- **Made \$125,000 in funding available through the MDI Mentoring grant.**

# Office Contact Information

**Contact NCUA's Office Credit Union Resources and Expansion with questions or comments.**

**Primary Staff:** Pamela Williams, Program  
Manager  
[curemdi@ncua.gov](mailto:curemdi@ncua.gov)

**Office Phone:** 703.518.6610