

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 1518

Short Title: NC Minority Support Center Funds. (Public)

Sponsors: Senators Weinstein, Atwater, Dannelly; Berger of Franklin, Dorsett, Graham, and Holloman.

Referred to: Appropriations/Base Budget.

May 18, 2006

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS FOR THE NORTH CAROLINA MINORITY
3 SUPPORT CENTER TO FURTHER A STATEWIDE PROGRAM OF LENDING
4 FOR HOMEOWNERSHIP AND WEALTH CREATION IN DISADVANTAGED
5 COMMUNITIES.

6 Whereas, the North Carolina Minority Support Center has been recognized as
7 a national and international model for creating banking opportunities for the unbanked
8 and for individuals in low-wealth communities; and

9 Whereas, the North Carolina Minority Support Center has been certified a
10 Community Development Financial Institution (CDFI) by the United States Treasury
11 Department and has leveraged federal funding in excess of \$7,000,000 to serve
12 disadvantaged communities; and

13 Whereas, the North Carolina Minority Support Center was featured in the
14 2004 Ford Foundation Annual Report, and one of its members was recognized by The
15 White House Partnership for Prosperity, the United States Treasury Department, and the
16 World Council of Credit Unions; and

17 Whereas, the North Carolina Minority Support Center provides assistance to
18 the seven branch offices of the Generations Community Credit Union and to the five
19 branch offices of the Latino Community Credit Union; and

20 Whereas, 75% of the Generations and Latino Community Credit Union
21 members are low-income and did not have a bank account at a traditional financial
22 institution prior to joining a credit union; and

23 Whereas, the North Carolina Minority Support Center and its affiliates aim to
24 reduce predatory practices in vulnerable communities by providing financial services to
25 over 60,000 people across the State; and

26 Whereas, since 1991, the North Carolina Minority Support Center and its
27 affiliates have been working to reduce crime and community decay through secure
28 banking, homes, jobs, and wealth creation; and

1 Whereas, the State values and supports the diverse minority communities
2 served by the North Carolina Minority Support Center for their significant contributions
3 to the State's economy, particularly in the area of economic development; and

4 Whereas, the larger minority communities in the State, African-American,
5 Latino/Hispanic Americans, Native Americans, and Asian-Americans, have a total
6 buying power of over \$47,000,000,000, and it is expected to grow to over more than
7 \$69,000,000,000 in the next five years; and

8 Whereas, more than 953,000 minority citizens over the age of 16 are
9 members of the State's labor force, and that number is projected to exceed 2.4 million
10 by the year 2009; and

11 Whereas, there are over 61,000 minority-owned businesses in the State, and
12 they employ more than 73,000 people and generate over \$6,700,000,000 in revenue; and

13 Whereas, more than 1,200 jobs in the State have been created through
14 business loans; and

15 Whereas, more than 3,500 people each year have benefited from access to
16 bilingual financial counseling and financial literacy education; and

17 Whereas, a \$13,000,000 investment in the North Carolina Minority Support
18 Center will allow the Latino Community Credit Union and the Generations Community
19 Credit Union to make \$100,000,000 in loans and expand financial services to
20 low-income and unbanked communities in the State; Now, therefore,
21 The General Assembly of North Carolina enacts:

22 **SECTION 1.** There is appropriated from the General Fund to the
23 Department of Commerce the sum of three million dollars (\$3,000,000) for the
24 2006-2007 fiscal year for the North Carolina Minority Support Center. The Center shall
25 allocate one million five hundred thousand dollars (\$1,500,000) to the Generations
26 Community Credit Union and one million five hundred thousand dollars (\$1,500,000) to
27 the Latino Community Credit Union.

28 **SECTION 2.** There is appropriated from the General Fund to the
29 Department of Commerce the sum of ten million dollars (\$10,000,000) for the
30 2006-2007 fiscal year for the North Carolina Minority Support Center. The Center shall
31 allocate the funds based upon market demands to the Generations Community Credit
32 Union and the Latino Community Credit Union to assist them in making one hundred
33 million dollars (\$100,000,000) in loans and expanding financial services to low-income
34 and unbanked communities in the State.

35 **SECTION 3.** This act becomes effective July 1, 2006.