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## Written Statement

U.S. Bank  
October 15, 2020  
10:00 A.M. CT

*Joint Hearing of the Illinois Senate Financial Institutions Committee, Senate Commerce and Economic Development Committee, and Executive Committee*

*Senator Jacqueline Y. Collins, Chairperson, Financial Institutions Committee; Senator Suzy Glowiak Hilton, Chairperson, Commerce and Economic Development Committee; and Senator Mattie Hunter, Chairperson, Executive Committee*

### **Subject Matter: Racial Equity in Lending and Homeownership**

Thank you for the opportunity to provide a written statement for this important subject matter hearing. U.S. Bank is committed to serving our customers and communities as a trusted financial partner.

U.S. Bank was chartered in 1863 and is headquartered in Minneapolis with more than 70,000 employees in all 50 states. Per data as of June 30, 2020 from the Federal Deposit Insurance Corporation, U.S. Bank has a 2.5% market share in Illinois. We pride ourselves in being a diverse and inclusive workplace, and in 2020:

- DiversityInc. ranked U.S. Bank one of the top 50 companies for diversity
- U.S. Military Times ranked us the No. 3 best employer for veterans
- Forbes ranked us one of the best employers for women
- Top score (100%) on the Disability Equality Index, AAPD
- One of the best companies for multicultural women, Working Mothers
- Best place to work for LGBTQ Equality, Human Rights Campaign
- One of the world's most ethical companies, Ethisphere Institute

2020 has been a challenging year in significant ways including the ongoing global pandemic, economic stress, and racial turmoil triggered in large part by the tragic death of George Floyd in our home city. Against this backdrop U.S. Bank has taken several actions to further serve our customers and communities.

We announced a **\$116 million commitment** to address social and economic inequities, including an annual \$100 million in capital for Black-owned and -led businesses or organizations. The bank will help rebuild areas impacted by social unrest and reinvest in affordable housing and retail commercial businesses in impacted areas. The bank launched a **\$1 million Community Development Financial Institution (CDFI)** to award grants to qualified organizations, including the **Chicago Community Loan Fund**. Further, we announced the **\$15 million U.S. Bank Foundation Rebuild and Transform Fund**, which includes \$5 million for local communities (beyond \$5 million specific to the Twin Cities) impacted by civil unrest, low economic mobility and systemic racial inequities in small business, housing and workforce advancement. We recently announced several Chicago non-profits will receive investments from these funds including:

**Far South CDC:** to fund the Small Business Center  
**Cara Chicago:** to fund workforce development programs

**Chicago CRED:** to invest in job training and employment programs for high risk youth and young adult men

**Chicago Urban League:** to fund a Housing and Financial Empowerment Center to help facilitate homeownership and wealth building

**Spanish Coalition for Housing:** to provide financial education and coaching, including pre-purchase, post purchase and foreclosure prevention.

**Oak Park Regional Housing Center:** to fund the West Cook Homeownership Center supporting LMI African Americans

The bank has established an aggressive target to double the number of partnerships with **Black suppliers** in the next 12 months. In 2018, the bank spent \$566 million with diverse suppliers. We also announced this year that Greg Cunningham, our chief of Diversity, Equity and Inclusion, has been promoted to the corporate managing committee, reporting directly to our chief executive officer.

U.S. Bank was also pleased to provide a **significant grant this year to the Illinois Legislative Black Caucus Foundation (ILBCF)** for important work around digital access programs, a need that has been magnified during the COVID-19 pandemic. These funds will help provide laptops and tablets for the households of essential workers to help children stay on target with their online courses for the remainder of the school year.

Further, in the area of **COVID-19 pandemic response**, U.S Bank:

- Granted \$17 billion in loan modifications nationally.
- Processed 175,000 forbearance requests nationally.
- Joined Mayor Lightfoot's *Solidarity Pledge* to assist Chicago homeowners struggling with the economic fallout of Covid-19.
- Processed 7,581 PPP loans in Illinois for a total loan value of \$378 million.
- Average PPP loan size in Illinois of \$50,000, assisting 48,000 employees.
- Contributed \$25,000 to support Pullman/Roseland business owners during COVID.

As noted in our **2019 Corporate Social Responsibility Report**:

- **In Chicago**, we invested \$1 million in the **Entrepreneurs of Color Fund** to provide access to capital to minority owned small business on the South and West side. In its first year the fund generated loans to 130 minority-owned businesses totaling more than \$1.7 million. More than half of these loans support women owned minority businesses.
- On the **South side of Chicago**, the bank has had a longstanding commitment to the **Pullman** neighborhood. We've invested **\$110 million since 2009** in tax credit investments, grants and land donations, which has helped stimulate \$133 million in additional investment. These efforts helped increase college graduation rates by 10% and contributed to a decrease in crime by 52%. We established a case study with the University of Chicago and Chicago Neighborhood Initiatives that is meeting later today to discuss the efforts around Pullman and its implications for future community investing.
- U.S. Bank achieved an **outstanding Community Reinvestment Act (CRA)** rating from our federal bank regulator, including outstanding ratings in each individual category – lending, investment and service.
- We doubled our **American Dream home loans** serving lower/middle income borrowers to \$213 million nationally.
- We serve the underbanked market through our Safe Debit Account and Simple Loan.
- We made \$1.1 billion in community development loans and \$3 billion in investments to organizations connecting families with affordable housing opportunities.

- The Bank made a \$1 million investment in the **Smithsonian Museum of African American History and Culture**.
- In **financial literacy efforts**, our online financial education hub had 120,000 completed modules, and half of those participants who self-identified were people of color.

Thank you again to Chairpersons Collins, Glowiak Hilton and Hunter, and all the committee members for your service and dedication in serving your constituents. We hope this information is helpful regarding our community engagement and lending efforts at U.S. Bank, and we look forward to working with you on your policy priorities moving in to 2021. Please contact Tom Ruebel, vice president of state government relations, at [thomas.ruebel@usbank.com](mailto:thomas.ruebel@usbank.com) for additional information.