

## Background on the Oregon Shared Prosperity Initiative (SPI) April 2024

### **Background**

In late 2022, a group of credit unions came together to discuss our collective work in serving underserved, low-income Oregonians. As bankers are required to report under the Community Reinvestment Act, credit union data gathering has historically been anecdotal. The GoWest Credit Union Association has been asked to testify before the Racial Disparities in Home Ownership Committee and is regularly asked by legislators in private conversations about lending and member data to historically underserved individuals. In addition, since we began our discussions, the State of California released its first report in March of 2023 on “Income from Fees on Nonsufficient Funds and Overdraft Charges.” This report received a great deal of media attention leading members of Congress to ask for increased scrutiny by federal legislators and regulators.

The common belief in the SPI discussions is that leaning into transparency and accountability will help us deepen trust with our legislators and representatives but more importantly, with our communities. The first goal of SPI was to understand our numbers.

In addition to understanding the data, the group determined that our next objective is to leverage the credit union business model and philosophy to take the lead in making a meaningful impact on increasing access to banking products and services that eliminate the wealth gap that exists in Oregon.

After discussion, the group set goals of undertaking joint efforts to engage in research, analysis, and idea sharing to enhance, promote, and further credit union service to underserved groups and communities. These efforts are referred to as the Shared Prosperity Initiative (SPI).

### **Pilot Credit Unions**

Advantis Community CU  
Consolidated Community CU  
OnPoint Community CU  
Point West CU

Rivermark Community CU  
Rogue Community CU  
GoWest Credit Union Association,  
Facilitator

### **Participant Pledge**

My credit union, driven by our not-for-profit cooperative principles, is agreeing to participate in the Oregon Shared Prosperity Initiative. As an industry, we recognize that there are communities that have been marginalized or excluded through historical inequities that have contributed to a wealth gap that we are committed to closing. We will leverage our collaborative approach to address the needs we uncover through this Initiative.

Initial recommended steps:

- Commitment to collecting, using, and sharing data to reinforce the credit union's commitment to ensuring equitable and inclusive access to financial products and services that build wealth for all.
- Be visible and present in the communities we serve. Leverage relationships with Community-based Organizations with a humble approach, willingness to learn, and desire to act to meet these communities where they are.
- Utilize a DEI lens to reduce barriers to entry for consumers and access to capital for small businesses. Prioritize rural, BIPOC, women, LGBTQ+, and other historically underrepresented populations with the belief that when we improve conditions for the most marginalized, it benefits all of us.

### **Data Collection**

As part of the SPI, the credit unions participating in the pilot project gathered data related to their service to various groups and communities. A working agreement allows credit unions to share service data to further the goals of the SPI, and one or more of the credit unions may process service data of other credit unions for aggregation or analysis of such service data for purposes of the SPI. Examples of service data include member addresses, but shall not include member names, taxpayer identification numbers, or account numbers. As defined, member addresses, even without names, constitute personally identifiable financial information as defined under CFPB Regulation.

Ultimately, the information gathered is the aggregated information from each credit union in this first iteration of the SPI data-gathering effort. The member-level information will then be combined across all participating credit unions to provide Oregon credit union system-wide insights into the extent to which we are currently providing value and access for underserved populations in the markets we serve.

We see the first round of data collection as a work in progress and we are actively working toward getting any reports to a place where our process and methodology are airtight before we are ready to share publicly.

### **Pilot Project Workplan**

1. Confirm pilot credit unions.
2. Establish a process/procedure for pilot data collection.
3. Establish pilot deliverables/timeline.
4. Present Pilot Data to OR GAC and broader interested SPI credit unions.
5. Develop SPI participation campaign.

### **Pilot Project Data Report**

Thanks to the work of Scott Mulkins and Will Paddock of Rogue Credit Union, they have accumulated the data provided by pilot project credit unions into this initial SPI data report for review.