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from the editor By Brian Nixon

### **The Gulf Coast Challenge**

ABA is a sponsoring organization supporting the \$1 billion Gulf Coast Rebuilding Challenge, a program designed to channel long-term, private-sector funding to the Gulf Coast region.

The area, ravaged by Hurricanes Katrina, Rita and Wilma last year, has suffered more than \$100 billion of damage and more than 1 million people have been displaced.

Corporations and other organizations participating in the Gulf Coast Rebuilding Challenge can help promote recovery efforts by depositing money at local community banks in the Gulf area. The community banks place the funds in CDs at multiple banks through the CDARS service offered by Promontory Interfinancial Network, so that the full deposited amount up to \$30 million is eligible for FDIC insurance.

In return, Gulf region community banks receive matching deposits, which they can use to support construction lending. Alternatively, community banks can receive fee income, with the option to receive matching deposits when funds are resubmitted after an initial maturity.

"Local banks were there for their communities when disaster struck the Gulf Coast," ABA President and CEO Ed Yingling said. "This initiative is a great opportunity for banks and corporations across the country to step up and support the people of this region as they continue to rebuild."

Joining ABA in supporting the program are several major American corporations, including Bank of America, General Motors and Microsoft.

The program's goal is to channel at least \$1 billion into the region over the next five years. To learn more about how your bank can support this effort, go to [www.gulfchallenge.org](http://www.gulfchallenge.org).

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