



FOR IMMEDIATE RELEASE

Louisiana Appleseed to partner with the Annie E. Casey Foundation to reduce household debt in communities of color throughout the South

NEW ORLEANS (December 4, 2017) – On October 10, 2017, the Annie E. Casey Foundation awarded a grant to Louisiana Appleseed as part of a new multi-partner initiative to increase financial stability in communities of color throughout the South. The organization is one of only seven the Casey Foundation selected for the program, which aims to address the racial and ethnic wealth gap by examining various forms of household debt.

This project has two components – areas that have previously been identified as barriers to financial stability, resulting in a racial and ethnic wealth gap: (1) the use of high-cost financial products by low-income communities of color in Louisiana; and (2) the harmful debt incurred by low-income communities of color due to court fines and fees. For this project, Louisiana Appleseed will build on existing relationships with local partner organizations.

The racial divide in access to financial institutions is easily observable. According to a 2017 report by the Louisiana Budget Project, payday and car title lending costs Louisiana families \$241,461,615 per year in abusive fees. Furthermore, research has shown that African-American and Latino community members are much more likely to face predatory loans resulting in families with zero or negative net worth. Additionally, the Justice and Accountability Center of Louisiana (JAC) recently reported that twelve participants in its re-entry program have payday lending debt averaging \$610.42 per person. The JAC report also observed that 83 of its resolved cases still required payment of fines, fees, or restitution. With the assistance of this grant, Louisiana Appleseed volunteers will look closer at predatory loans and the relationship between high-cost financial products and the payment of court fines and fees.

Louisiana Appleseed looks forward to a strong working relationship with the Annie E. Casey Foundation. The enthusiasm is mutual, with Annie E. Casey Foundation senior associate Don Baylor Jr. stating “We are excited to support the strong work that these partners [including Louisiana Appleseed] are already doing on the ground, and we look forward to seeing what

they're able to accomplish in the year ahead." To learn more about the Casey Foundation's new grant initiative, please visit: <http://www.aecf.org/blog/casey-launches-initiative-in-the-south-to-reduce-debt-for-families-of-color/>

FOR MORE INFORMATION:

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Louisiana Appleseed recruits professionals to donate pro bono time to solve problems at their root cause. Our goal is to advance social justice by effecting change at the policy, or systemic, level. Louisiana Appleseed's projects seek to increase access to education, opportunity and justice. Since 2007, Louisiana Appleseed has worked with volunteer attorneys, lawmakers and community groups to address the heir property issue head-on, working to solve the problem at the systemic, or policy, level. Louisiana Appleseed recently became part of a collaborative with Southeast Louisiana Legal Services, the Pro Bono Project and the Lawyers' Committee for Civil Rights Under Law to further policy-related efforts, as well as direct services for heir property owners.