

# Linking Communities to Safe, Affordable Financial Services: **What is Bank On?**

## OUR SPEAKERS



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Corporation (FDIC)



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Bank of St. Louis



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Financial Empowerment  
Network

## Welcome!

Please make sure you're muted and introduce yourself in the chat.

To view captions, click on the menu arrow next to the Closed Captions button.

Please add your questions to the chat box as questions come up during the session, or raise your hand to ask during the Q&A.

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[www.BankOnWashington.org](http://www.BankOnWashington.org)

# Bank On: Because banking access makes a difference

Bank On is a national movement to increase access to safe and affordable bank and credit union accounts.



The average unbanked person spends 10% of income on alternative financial services fees. This can amount to **\$40,000 over a lifetime.**



Unbanked financial counseling clients were:

- **half as likely** to increase savings
- **over a third less likely** to establish a new credit score.



Unbanked clients who became banked during counseling were almost **8 times more likely** to increase their savings, relative to those who never became banked.

# Bank On National Account Standards =

## Comprehensive + Designed with Consumers in Mind

The CFE Fund's Bank On National Account Standards provide local programs with a benchmark for account partnerships with financial institutions.



### Safe

No overdraft, non-sufficient funds, or dormancy fees



### Affordable

Monthly fees of \$5 or less with a low minimum opening deposit



### Functional

Pay bills, make deposits and withdrawals, and transfer money

TERMS	STANDARDS
<b>Cheer Features</b>	
Transaction Account or Mutual Dependency Institution	Checking account (including checkbook) required to open or create other financial products
Bank Card	Bank card feature (e.g. Visa, Mastercard) required for point-of-sale point-of-purchase fees
Minimum Opening Deposit	\$25 or less If not available, \$5 or less
Monthly Maintenance Fee	If available, \$5 or less after all other requirements are met. If not available, a single transaction (e.g. direct deposit) with no minimum deposit, withdrawal, or statement purchase
Overdraft or Non-Sufficient Funds (NSF) Fees	None
All Cash Accounts (Savings, Checking, Money Market, and Cash Reserve Fees)	None
<b>Customer Service</b>	
Branch Access	For financial institutions with branches: One per community For financial institutions without branches: access to free ATM network and free online deposits
Telephone Banking (including Chat Support) 24/7 Access	Free and unrestricted Free and unrestricted \$2.00 or less (with support fee) or up to \$2.00 (with support fee) access to a person 24/7 access
<b>Functionality</b>	
Deposit Capability	Free cash and checks (in-person and at ATM) and deposits, and direct deposit
Bill Pay	Free for financial institutions of payments, otherwise at least one free money order bill to customer (with no-fee)
Check Cashing for Checks Issued by that Institution	Free
Online Banking (Mobile Banking, Banking Alerts)	Free (if offered)
Monthly Statements	Free of charge, 30 or less for mailed paper statements
Shared Account Features	Required by FRB or NCUA
<b>Financially Responsible Features</b>	
Account Recovery (e.g. Overdrafting, Card Not Working)	Only apply fees necessary to cost of institution or actual fees
Alternative Dispute Resolution (Consumer Arbitration)	Accepted alternative Dis
Online Account Opening and Deposits	Free of charge (with no-fee)
Financial Literacy Programs	Free savings products and services available
Funds Availability	Immediate availability to most customers (excluding government deposits or deposits from their respective institutions)
Money Orders	\$1.00 or less (with no-fee)
Remittance Information About	Compliance with federal law (e.g. 31 USC 5420a)
Traveling/Working Product Offerings	Secured credit card or secured personal bank card

**Unbanked: 3%**

**Under-banked: 17%**

**1 in 5 Washington  
households**



**Why are some people  
unbanked?**

# Linking Communities to Safe, Affordable Financial Services: What is Bank On?

**2021 FDIC National Survey of Unbanked and Underbanked Households**

**Erwin Reeves**  
**Community Affairs Specialist**  
**Federal Deposit Insurance Corporation**



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# Today's Agenda

- About Us
- How the FDIC Promotes Economic Inclusion
- Economic Inclusion Opportunity Areas
- 2021 FDIC National Survey of Unbanked and Underbanked Households
  - Methods to Access Accounts by Washingtonians
  - Unbanked Rates in the state of Washington
  - Financial Services Use
- Washington Bank Branch Dispersion
- Opportunities for Collaboration
- Q&A

## About Us: FDIC Consumer and Community Affairs

- Supports the FDIC's mission of maintaining stability and public confidence in the nation's financial system.
- Promotes economic inclusion and community development through collaborations that benefit and impact LMI people and communities.
- Broadens access to insured, safe and affordable credit and deposit services, particularly for LMI people and communities.
- Develops, disseminates and provides training for Money Smart—the FDIC financial education suite of curricula for all ages.

# How the FDIC Promotes Economic Inclusion

## Partnerships and Collaboration

- Federal Agencies
- Non Profits
- State & Local Government
- Information and technical assistance to help banks respond to credit and banking needs of communities they serve



## Awareness and Education

- [Money Smart](#) (Financial Education)
- [Consumer News](#) (monthly newsletter)
- [Get Banked](#)
- [www.fdic.gov/espanol/](http://www.fdic.gov/espanol/)
- Other outreach



## Research and Innovation

- National Survey of Unbanked and Underbanked Households
- Pilots to expand access to mainstream banking products
- Other research



# Economic Inclusion Opportunity Areas



# 2021 FDIC National Survey of Unbanked and Underbanked

FDIC FEDERAL DEPOSIT INSURANCE CORPORATION

ABOUT RESOURCES ANALYSIS NEWS

Home // Analysis // Household Survey

Analysis

## 2021 FDIC National Survey of Unbanked and Underbanked Households

Last Updated: October 25, 2022

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- 2021 Survey
- Create Custom Data Table
- Create Custom Chart >
- Five Year Estimates Table Tool
- Survey Archives >
- Bank Survey Archives >
- What is Economic Inclusion?
- Data Downloads

The FDIC is committed to expanding Americans' access to safe, secure, and affordable banking services, which is integral to the FDIC's mission of maintaining the stability of and public confidence in the U.S. financial system. The *FDIC National Survey of Unbanked and Underbanked Households* is one contribution to this end. Conducted biennially since 2009 partly in response to a statutory mandate, the survey is administered in partnership with the U.S. Census Bureau and collects information on bank account ownership; use of prepaid cards and nonbank online payment services; use of nonbank money orders, check cashing, and money transfer services; and use of bank and nonbank credit.


### 2021 Survey Results

All PDF files on this page reference Portable Document Format (PDF) files. Adobe Acrobat, a reader available for free on the Internet, is required to display or print PDF files. ([PDF Help](#))

- [2021 Executive Summary](#) - PDF
- [2021 Report](#) - PDF
- [2021 Appendix Tables](#) - PDF
- [2021 Technical Notes and Survey Revisions](#) - PDF
- [2021 Instrument](#) - PDF

Key Findings and Implications from the 2021 Survey

Key Findings

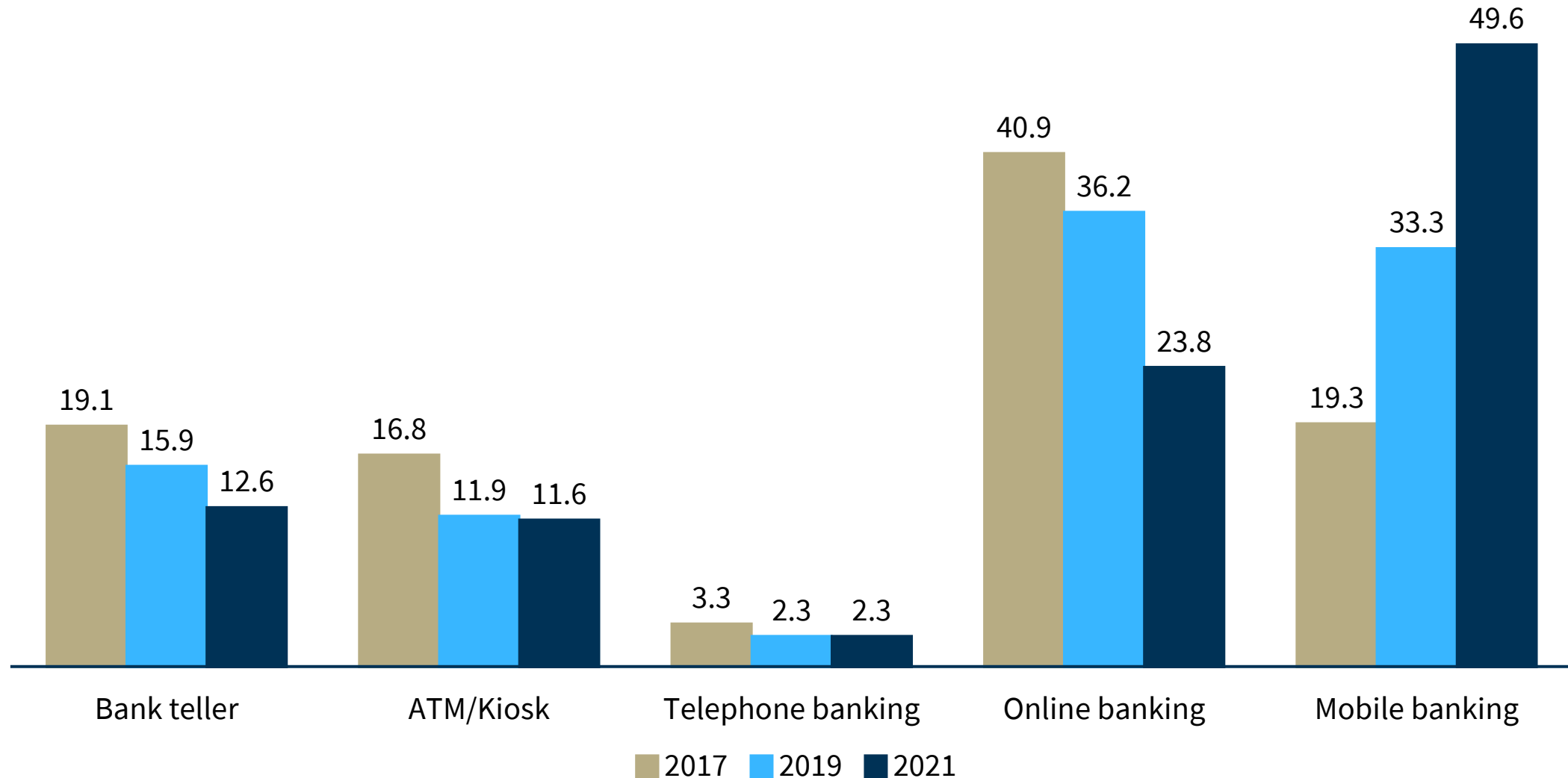


[Click for an interactive map of unbanked rates by geography.](#)

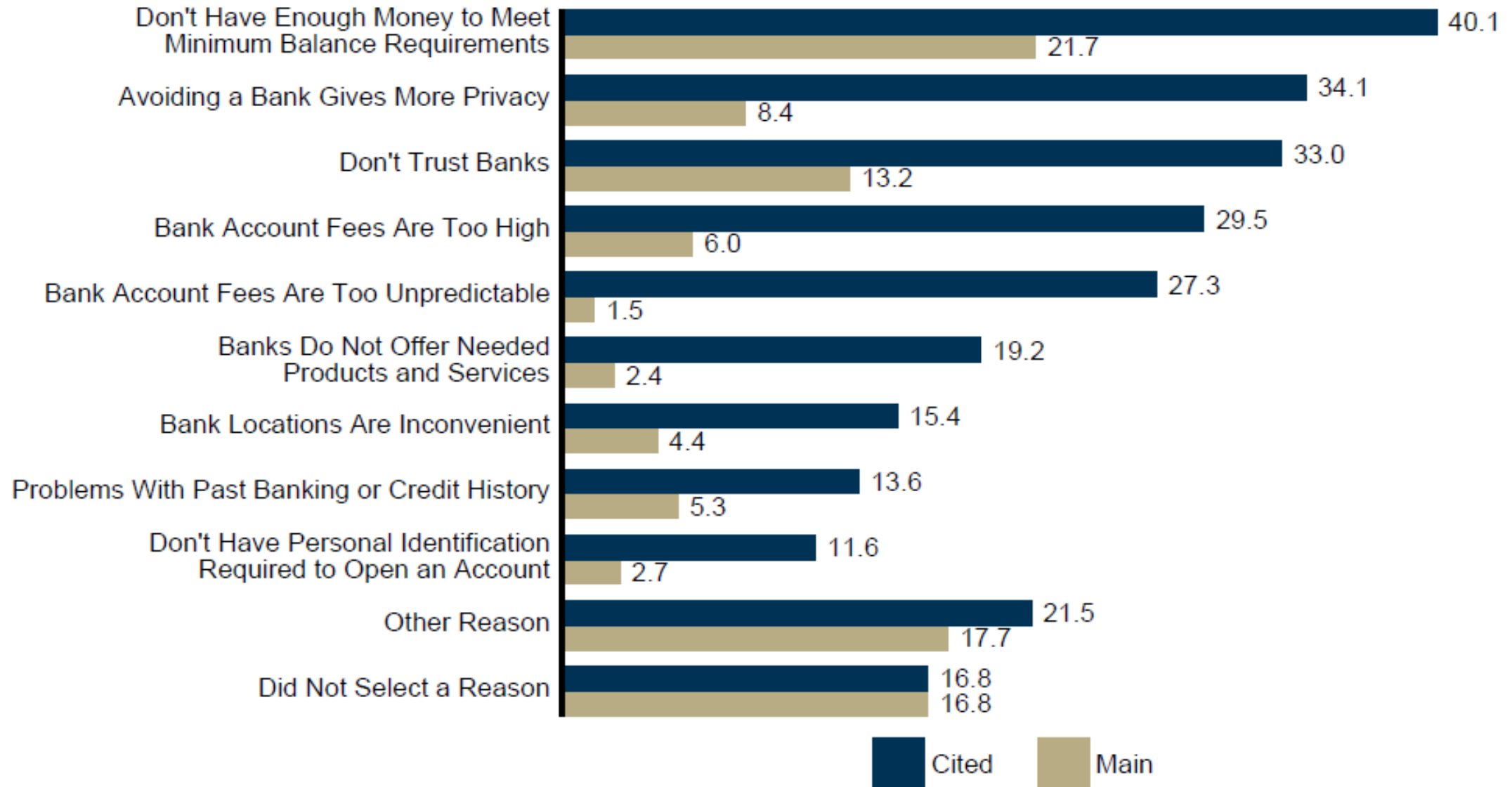


- Report
- Appendix tables
- Tools
  - Custom data tables
  - Custom charts
  - Five-year estimates of unbanked rates
- Download raw survey data, 2009–2021

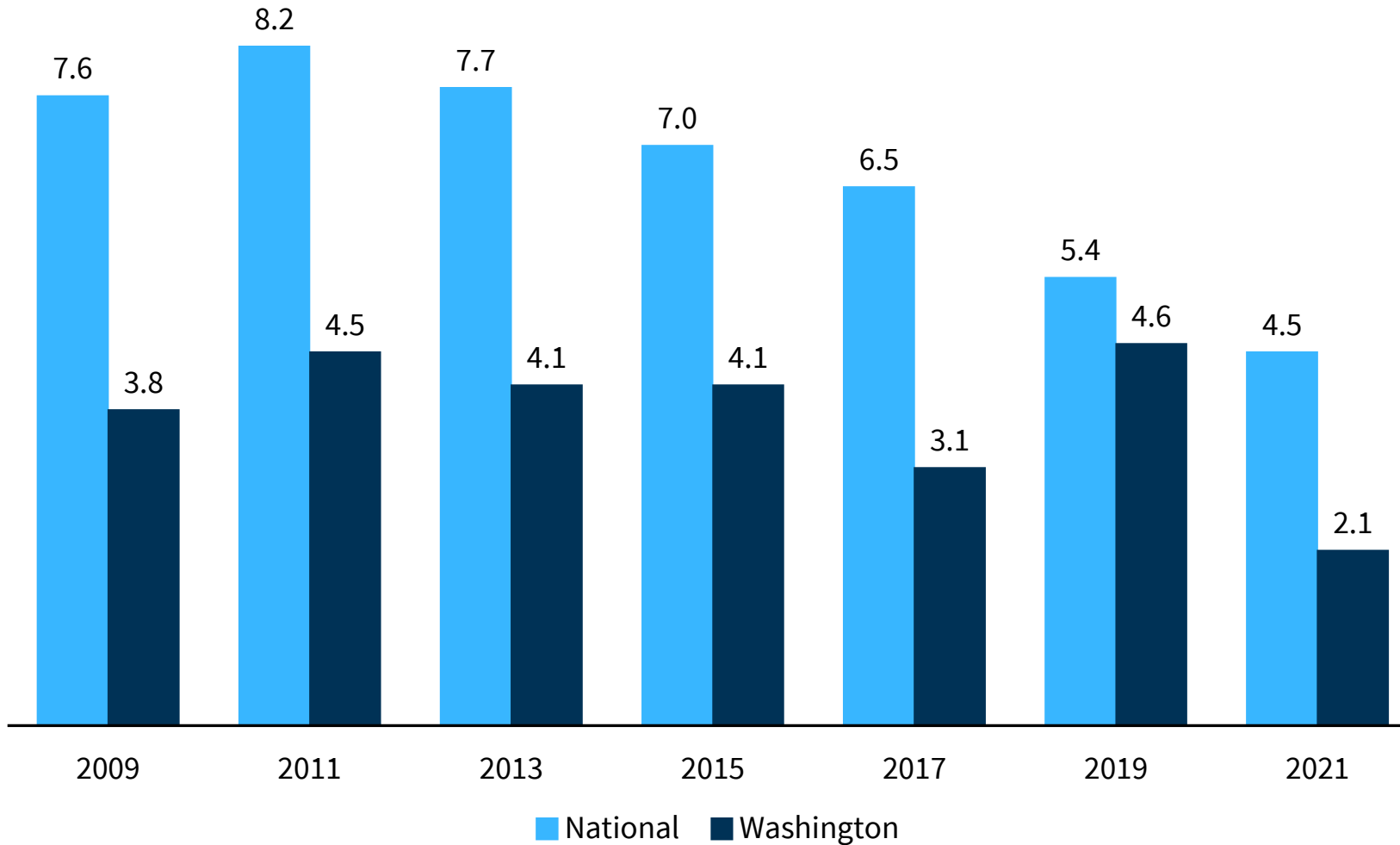
# Primary Methods Used to Access Accounts by Year – Washington



# Reasons for Not Having a Bank Account, 2021

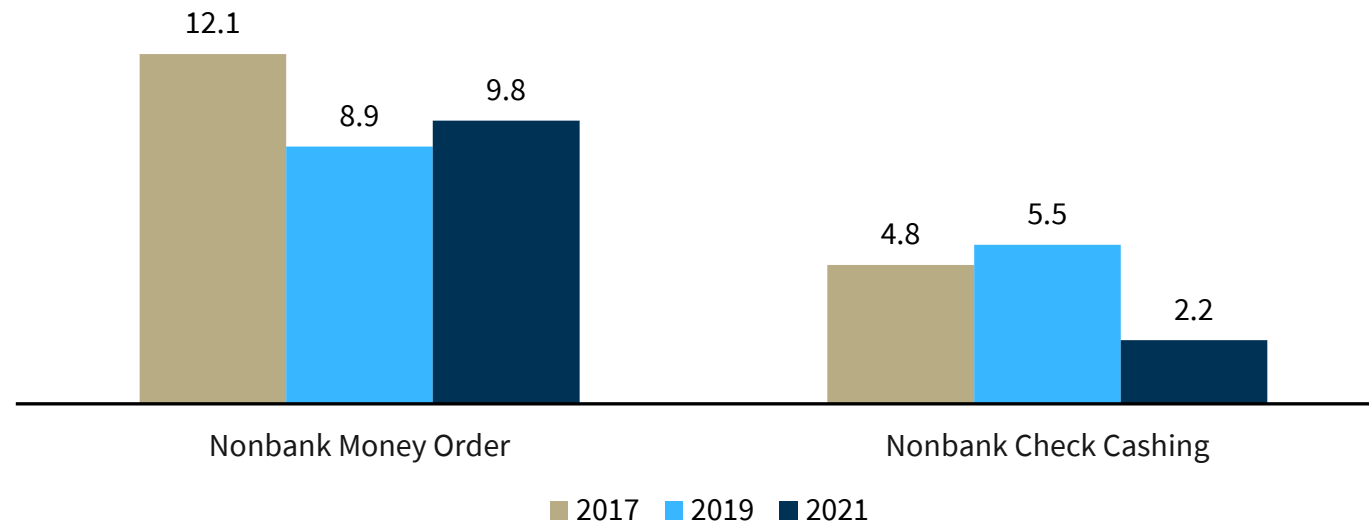


# Unbanked Rates by Year – National and Local



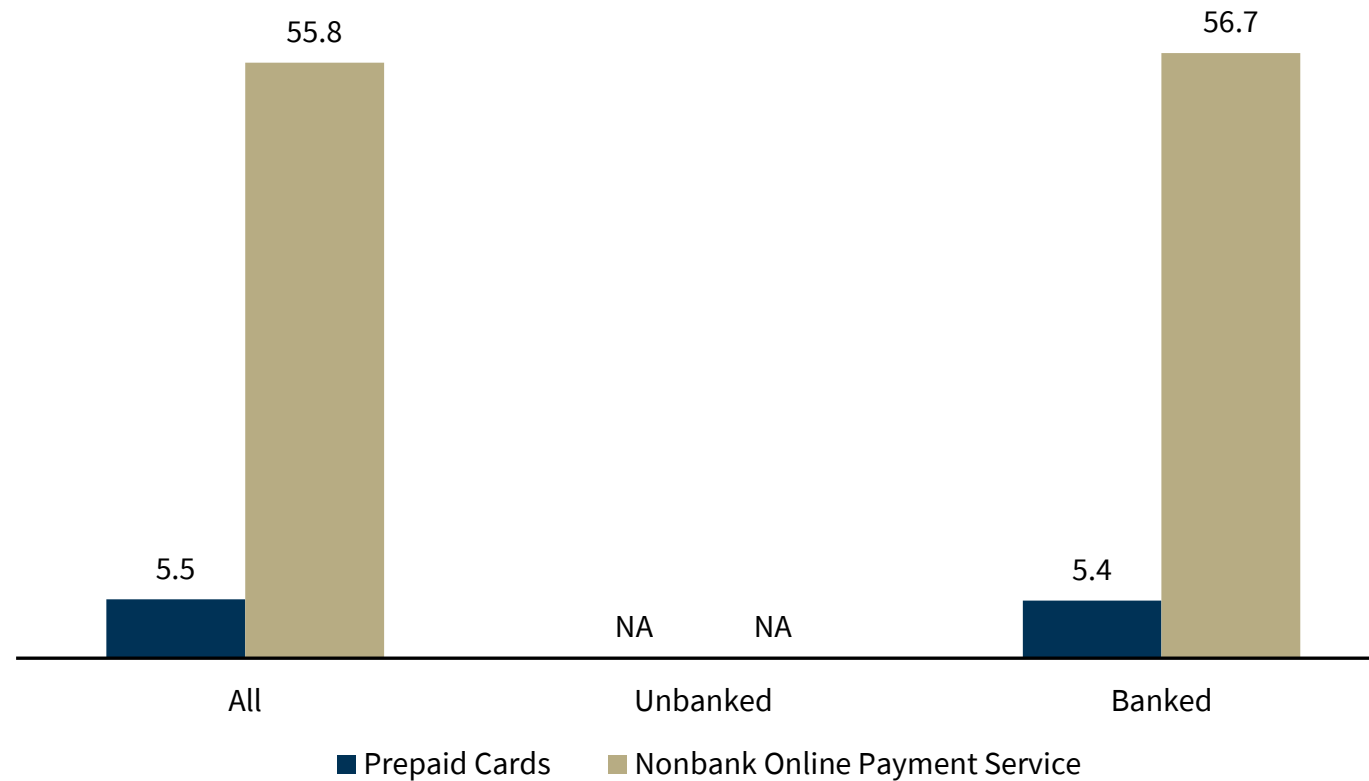


# Use of Nonbank Money Orders and Check Cashing 2017–2021, Local



Washington

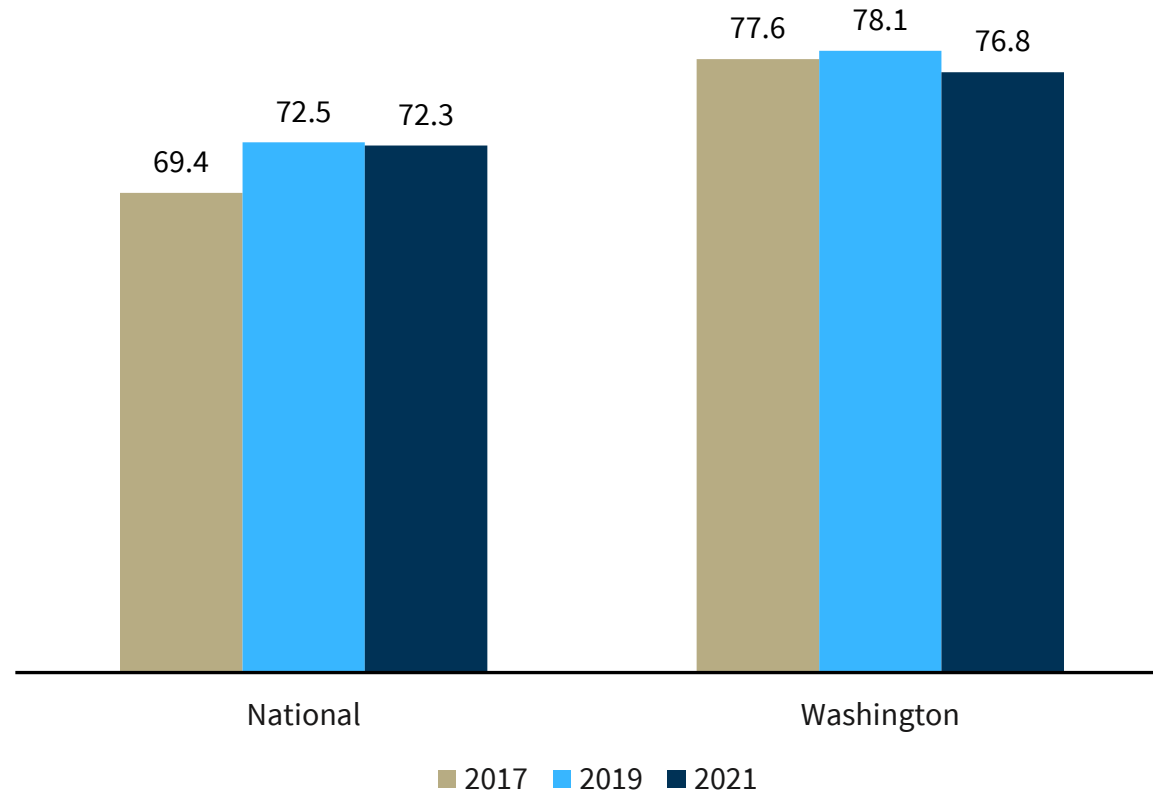
# Use of Prepaid Cards and Nonbank Online Payment Services, 2021



## Washington

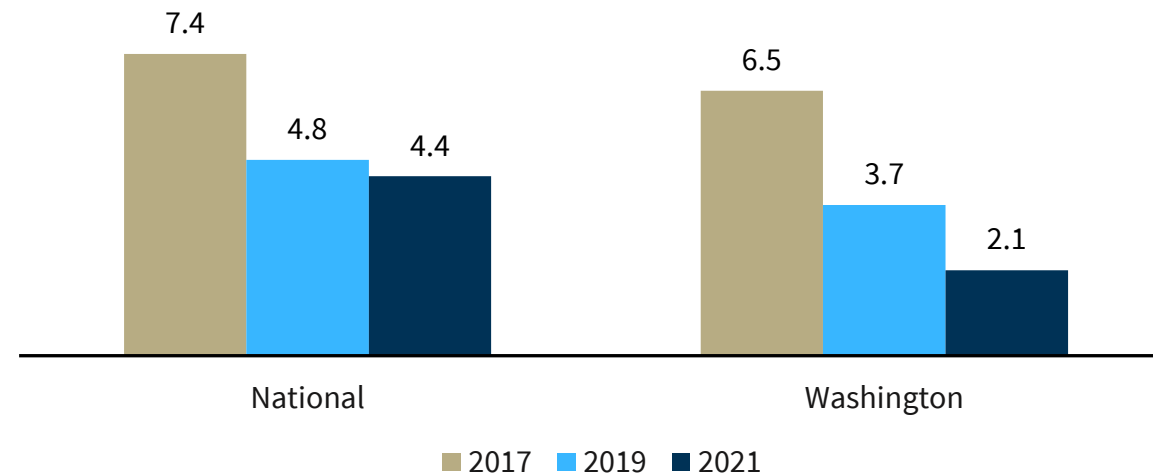
NA indicates that the sample size is too small to produce a precise estimate.

# Use of a Credit Card or Bank Personal Loan by Year and Geography

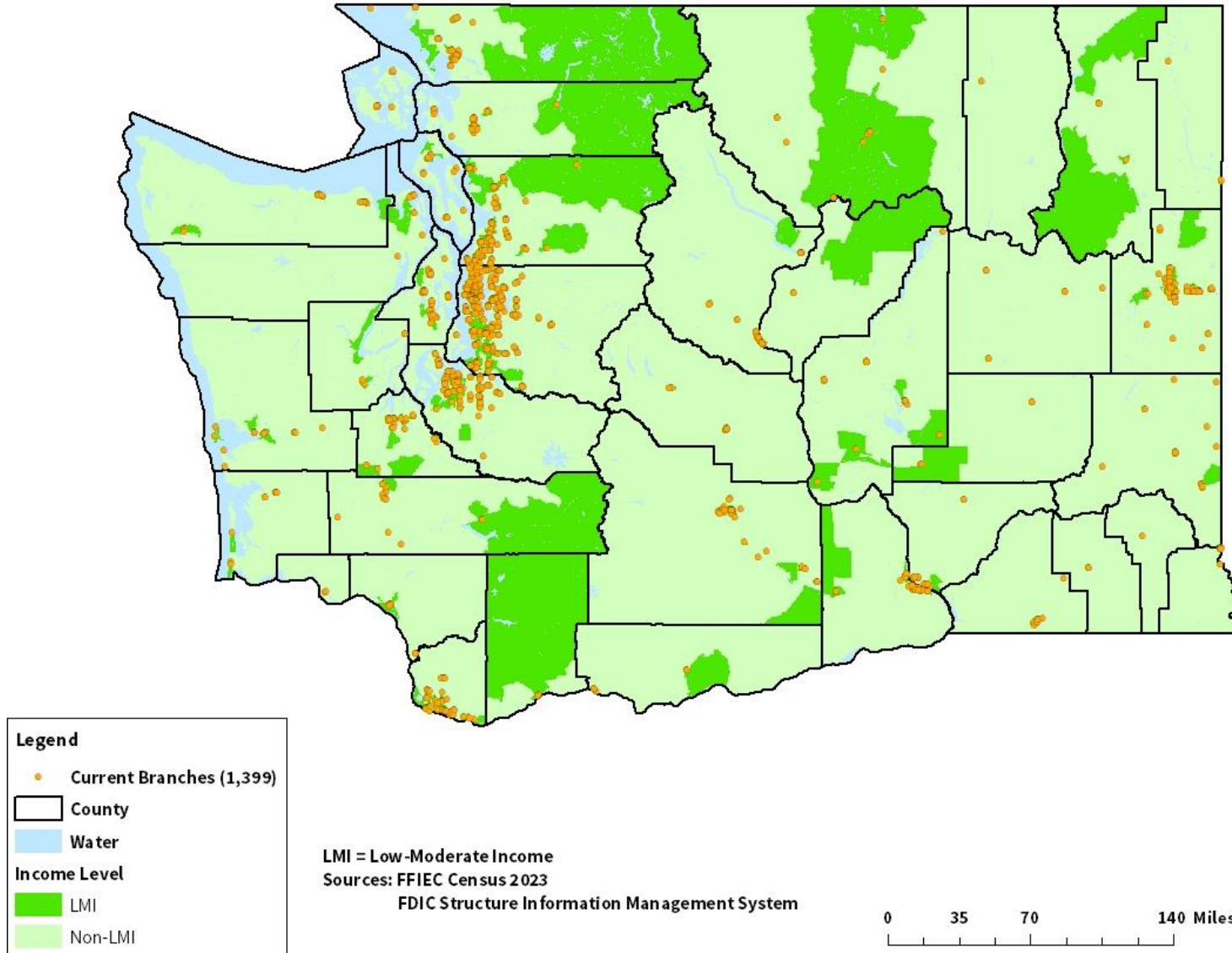


Note: Bank credit is comparable only in 2019 and 2021.

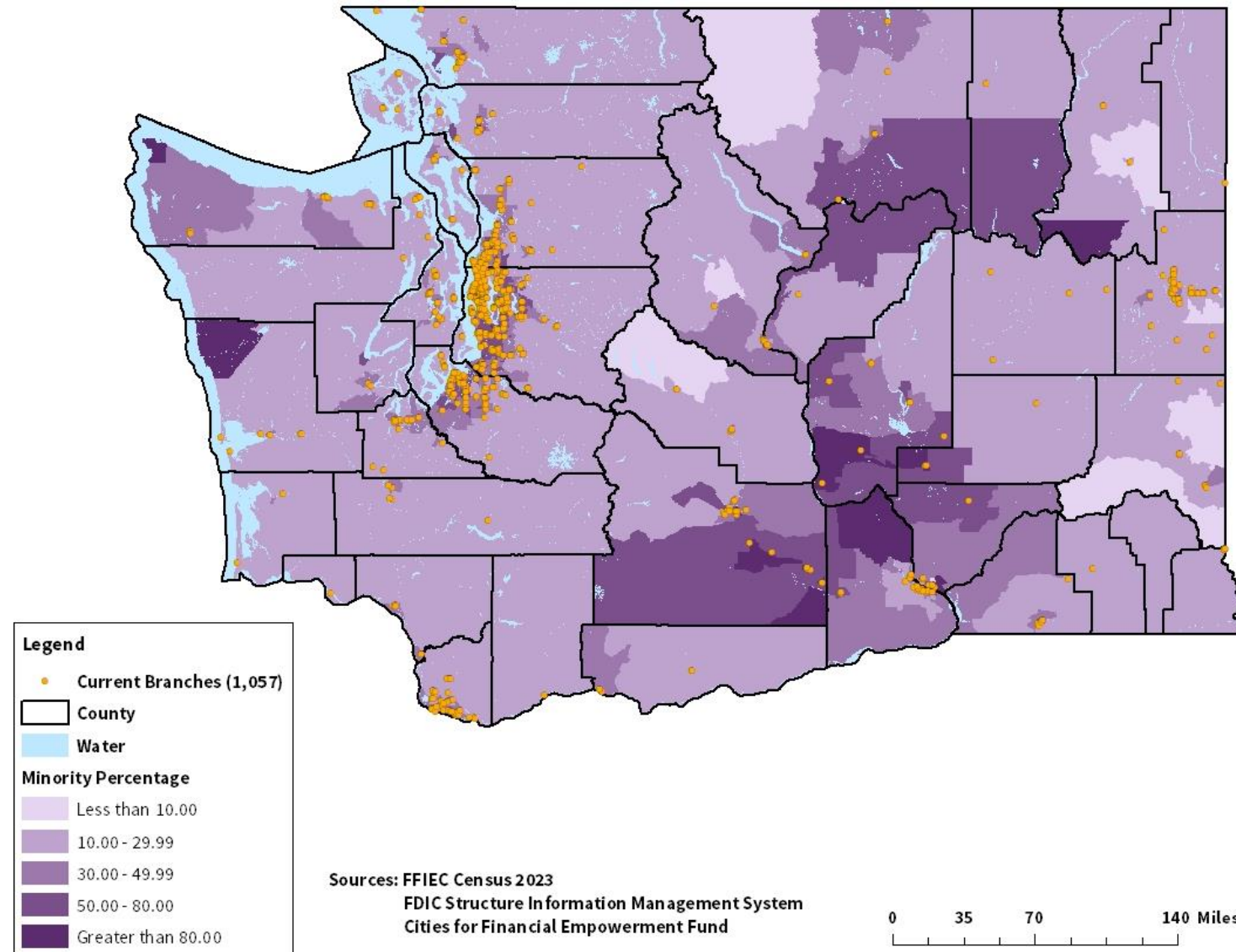
# Use of a Rent-to-Own Service or a Payday, Pawn Shop, Tax Refund Anticipation, or Auto Title Loan by Bank Account Ownership by Year and Geography



# All Bank Branches – Washington



# All Bank Branches Offering Bank On Certified Accounts – Washington



# Opportunities for Collaboration

Have an area of interest in common with one of our opportunity areas?  
Join us in promoting greater economic inclusion!

- Attend and participate in FDIC Community Affairs events
- Meet local financial institutions and local community partners
- Use FDIC resources to increase consumer awareness of inclusive financial products and services
- Join the Money Smart Alliance
- Cross-promotion of FDIC economic inclusion and financial capability resources

Questions?

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[www.fdic.gov/communityaffairs](http://www.fdic.gov/communityaffairs)





FEDERAL RESERVE BANK *of* ST. LOUIS  
CENTRAL TO AMERICA'S ECONOMY®

# Linking Communities to Safe Affordable Financial Services: What is Bank On

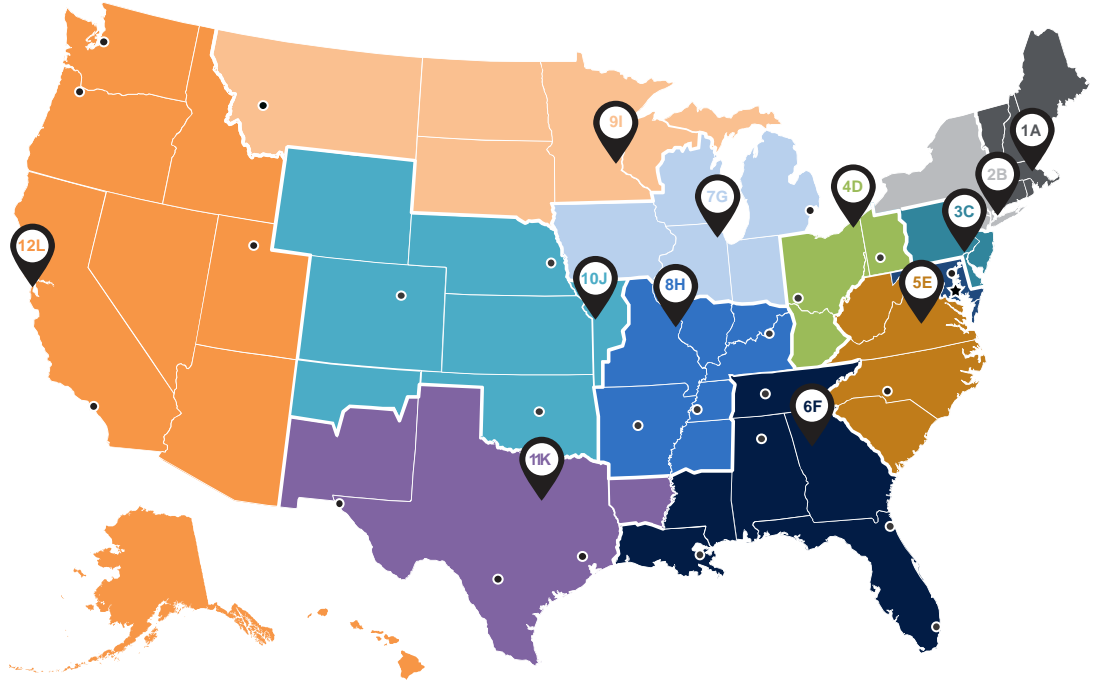
Lisa Locke  
May 7, 2024



**The views expressed are my own and do not reflect the views of the Federal Reserve Bank of St. Louis, the Federal Reserve Board of Governors, or the Federal Reserve System.**



# Federal Reserve District Map



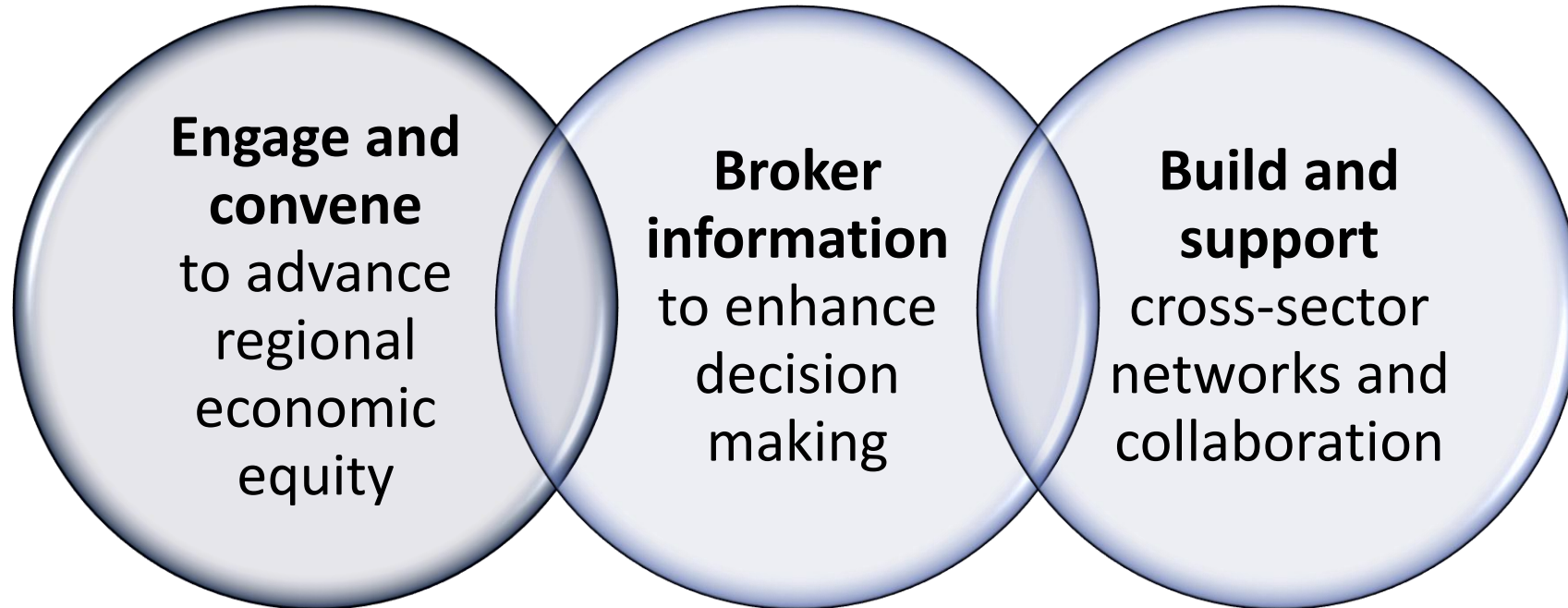
- BOSTON
- NEW YORK
- PHILADELPHIA
- CLEVELAND
- RICHMOND
- ATLANTA
- CHICAGO
- ST. LOUIS
- MINNEAPOLIS
- KANSAS CITY
- DALLAS
- SAN FRANCISCO
- BOARD OF GOVERNORS
- BRANCH OFFICES

# Community Development at the St. Louis Fed

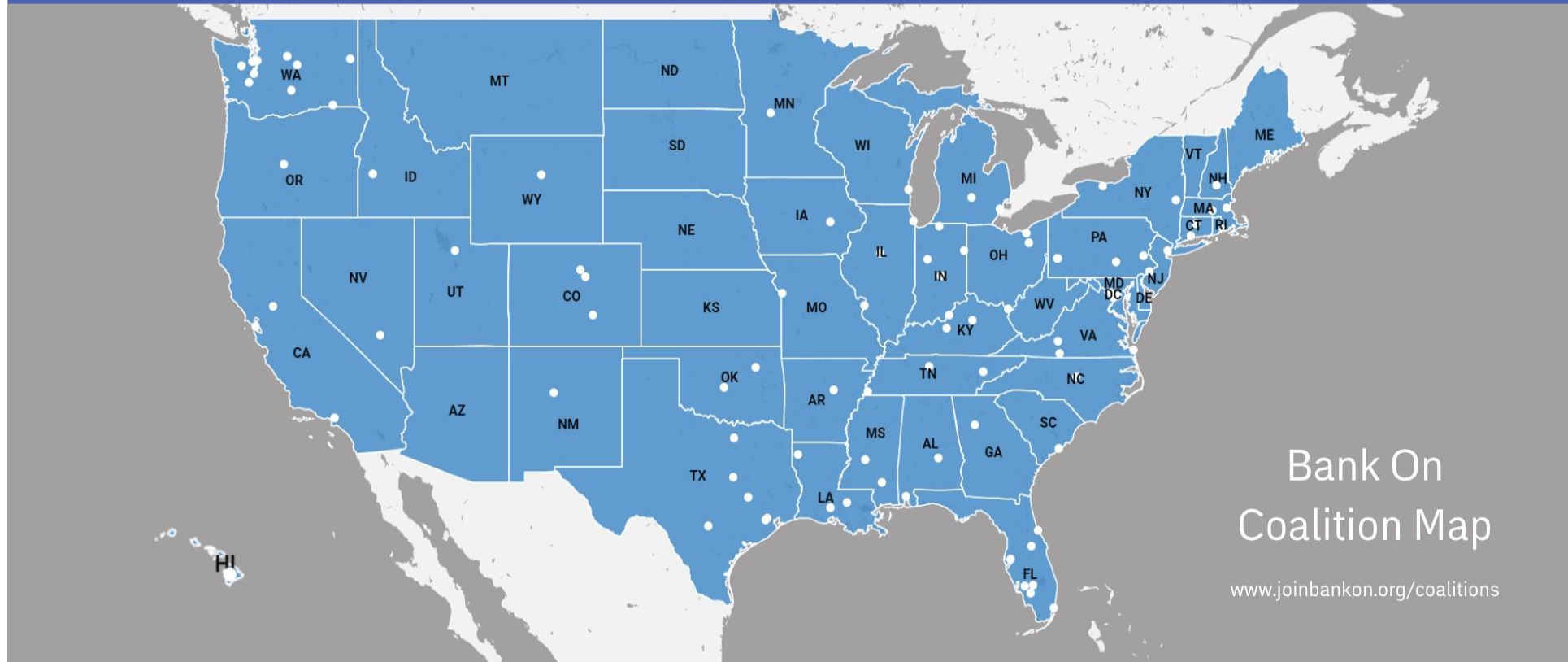
- **Vision:** Every individual and community has the opportunity and ability to participate in and derive benefit from the economy.
- **Economic Equity:** Addressing structural, historical, institutional, and behavioral barriers that inhibit full economic participation among all people, groups, and communities.



# Community Partnership and Investment Team



375+ Certified Accounts | Available in 46,000 branches | 100+ locally-led Bank On Coalitions



# Bank On National Landscape

- 100 Bank On Coalitions throughout country
- Bank On National Account Standards
- Over 400 Bank On nationally certified accounts
- Launch of Bank On National Data (BOND) Hub



# What is the Bank On National Data (BOND) Hub



National data reporting initiative in partnership with CFE Fund that streamline data collection system for all partners



Produces an annual, publicly available report



Tells the story of Bank On movement down to zip code level





# Why BOND Hub Important

- Streamline process for all partners
- Consistent metrics
- Demonstrate popularity of certified accounts
- Shows national progress of movement
- Data publicly available to inform banking access efforts



# Benefits of Submitting to BOND Hub

- Benchmark account performance
- Participate in yearly event with other submitting institutions
- Demonstrate commitment to movement
- Can support Community Reinvestment Act (CRA) data collection and eligibility
- Contribute to the demonstration of Bank On success



# BOND Hub 2022 Key Findings

- 35 financial institutions reported Hub
- 87 percent of U.S. ZIP Codes
- More than 3 million new accounts, and over 8 million open and active, as of December 2022
- Majority use account and features—debit, deposits, and withdrawals—and are digitally active.
- Approximately \$120 billion was deposited into Bank On accounts in 2022.
- More than one-third of account holders use direct deposit.
- Average monthly balance: \$1117
- Data available: [Interactive data tool](#)



# Washington Bank On Data Facts

- Have 16 Financial Partners that have certified National Account Standard Bank On product
- 7 out 16 financial partners report to BOND Hub
- Wisconsin had 238,947 accounts ever opened 2022 and Seattle-King County had 37,715 (16%)
- Cities – Tacoma, Spokane, Vancouver
- Data available: [Interactive data tool](#)
- CFE Data Tool: [Interactive data tool](#)



# Bank On Washington BOND Hub Partners



Bank Of America



Coastal Community Bank



First Fed



JP Morgan Chase



PNC Bank



U S Bank



Wells Fargo

# How to Leverage and Grow the BOND Hub



Reach out banking partners and encourage them submit Hub Deadline  
May 31<sup>st</sup>



Continue engage coalition members, share the 2022 findings  
and encourage more institutions to get account certified



# Banking Access and Financial Inclusion Event

- **Wednesday, November 13<sup>th</sup>** - Conversation on Equity featuring Arlo Washington, president People Trust Community FCU and The Barber of Little Rock
- **Thursday, November 14<sup>th</sup>** – Banking On Financial Inclusion: Road to Economic Empowerment Symposium
- **Target Audience** – financial institutions, researchers, community-based organizations, Bank On Coalition members, policymakers
- **Featured Topics** – state financial inclusion, research on banking access and financial inclusion, promising practices, latest trends



# Community Development Resources



Bank On National Data (BOND) Hub



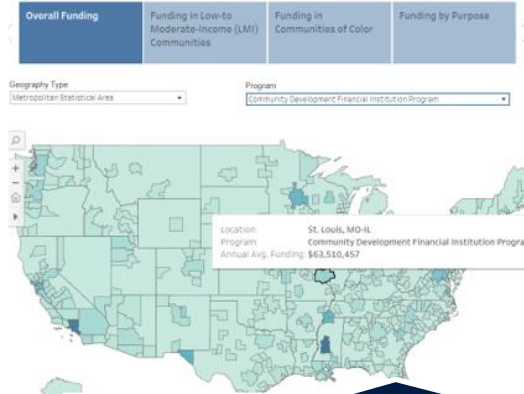
State of Economic Equity



Eighth District Publications



 **Institute for Economic Equity**  
FEDERAL RESERVE BANK OF ST. LOUIS  
Join the Conversation



Community Investment Explorer



Fed Communities





# Connect with the St. Louis Fed

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Award-winning, free economic education resources for all learners



FRED®, a trusted source for timely economic data



Community development tools that support an economy in which all can benefit

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# Thank You

Lisa Locke

[Lisa.locke@stls.frb.org](mailto:Lisa.locke@stls.frb.org)

502-568-9292



# Bank On is collaborative effort



**Financial  
Institutions**



**Community  
Organizations**



**Local  
Government**



**Federal  
Regulators**

# Bank On WA Steering Committee

## BOWA Co-Chairs:

Becky House, American Financial Solutions  
Jerell Jones, Credit Revolution Education Directors  
Minda Michelle Mattox, WA State Employees Credit Union

## Committee Members:

Andrea Alexander and Angela Ewen, Tribal Technology Training (T3)  
Mymy Bhatia, Ryan Davis, Jennifer Quiroz & Mya Saez Flores, Financial Empowerment Network  
Tierra Bonds, Take Charge Credit Counseling  
Ashley Davis and Tim Studlack, 1st Security Bank  
Elizabeth Escobar, Express Credit Union  
Jenefeness Franke, Fiscal Finesse  
Miladys Garcia, Financial Education Public Private Partnership  
Thushari Gooneratne, JPM Chase

Daniel Jean-Baptiste, Beneficial State Bank  
Erin Klika, Department of Financial Institutions  
Derek Lane, Lane Consulting  
Mandy Lee, Verity Credit Union  
Megan Managan, WA Bankers Association  
Barbara Maxwell, Blue Mountain Action Council  
Abby McCutcheon and Jared Schapiro, Workforce Snohomish  
John McKenney, Office of the Treasurer  
Suzanne Nester, First Financial Bank  
Scott Prior and Kayla Stufflebeam, Connections Credit Union  
Erwin Reeves, Federal Deposit Insurance Corporation  
Guillermo Sandoval, Umpqua Bank  
Maria Sennett, Beneficial State Foundation  
Cristina Serra, WaFd Bank  
Linda Taylor and Angela Williams, Urban League of Metropolitan Seattle  
Lynn Willis, United Way Pierce County  
Alex Yang, Bank of America



*Connecting people to safe, affordable, accessible financial products and services*

- Convenings:
  - BOWA Forum 2024 - **Leading the Way: Embracing Financial Belonging** – October TBD
  - **Justice & Finance Forum: Fostering Economic Resilience** – June 25<sup>th</sup> 10-11 am
- Creation/promotion of accessible products and services
- Exploring product integrations

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<https://www.fenwa.org/wabc>



Q&A

# Bank On WA is for:

Financial institutions who want to reach folks who are un- and under banked, low- and moderate-income community members, and those who have been excluded from mainstream financial services

Community-based organizations and social service providers who work with individuals, families and communities who face financial challenges and barriers

Government partners who want to find ways to increase financial wellbeing and streamline access to financial resources

Anyone who is interested in working towards increased financial inclusion and improved financial wellbeing for all Washingtonians!



# Get engaged!

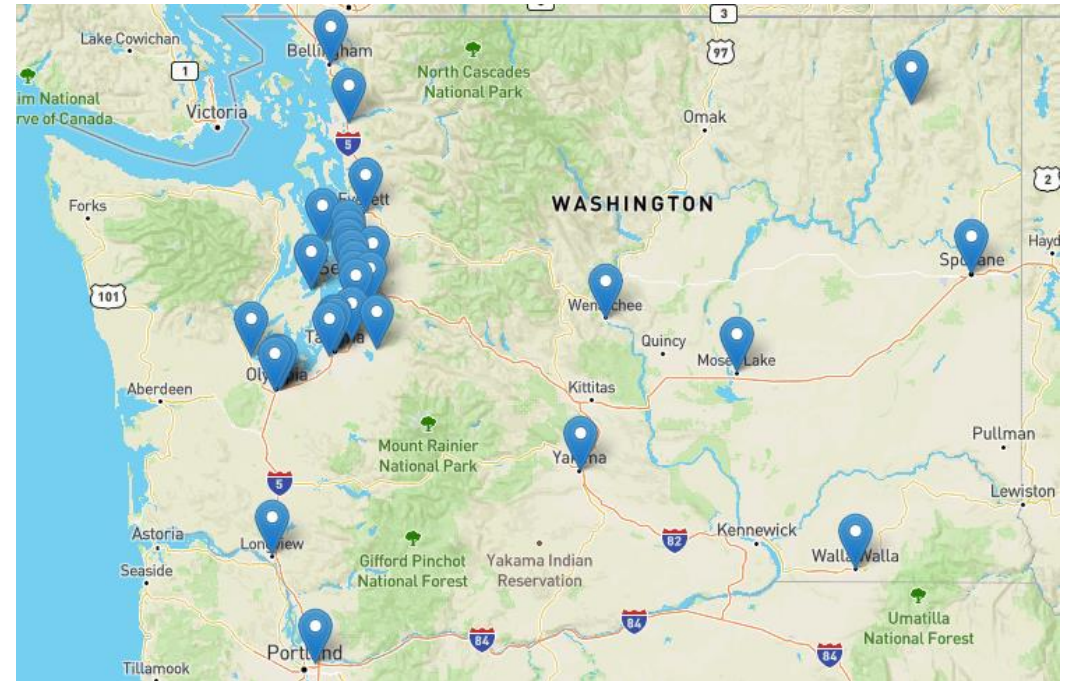
- Offer a Bank On certified account
- Report to the BOND hub with the Federal Reserve
- Participate in the Household Survey with the FDIC
- Connect with local Asset-Building Coalition or Bank On partners in your area
- Attend an upcoming Bank On WA event
- Join the Bank On WA Steering Committee or BOWA forum planning team

# Get engaged!

## Connect with FEN:

- Workshops
- WA Financial Coaching Network
- Financial Wellness Provider Directory
- Financial resources & tools

[www.fenwa.org](http://www.fenwa.org)



# Connect with us!

**Online:**

[www.fenwa.org](http://www.fenwa.org)

[www.BankOnWashington.org](http://www.BankOnWashington.org)

**Email:**

[Jennifer@fenwa.org](mailto:Jennifer@fenwa.org)



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# THANKS!



**FINANCIAL  
EMPOWERMENT  
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