

City of Dallas News Release

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New campaign will help more working families open bank accounts; Goal of “*Bank on Dallas*” is to help residents achieve financial security

Dallas, TX – A new initiative will help more low and moderate-income Dallas residents establish savings, build a credit history, gain access to low cost sources of credit and invest for the future. The program, *Bank on Dallas – It’s Safe and It’s Smart*, was announced today at Dallas City Hall.

“The objective of *Bank on Dallas* is to generate at least 25,000 new accounts over a two-year period,” said Councilmember Jerry Allen, who initiated the partnership between the City, the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Dallas, and numerous Dallas banks, credit unions, non-profit organizations, community organizations and major employers.

“This program will help people save money by making basic financial services available that others may take for granted,” said Mayor Tom Leppert. That can help them avoid high check cashing fees, help working families get ahead and grow our economy at the same time,” Leppert said.

“In addition, families without bank accounts may not have a safe place to keep their money and they can become a magnet for crime,” said Lieutenant Herb Ashford with the Dallas Police Department.

Research indicates:

- About 20 percent of households in Dallas do not use a bank.
- Members of these households may pay up to \$40,000 over a lifetime simply to cash checks.
- Many entities that provide check cashing services also aggressively market payday loans, title loans, and refund anticipation loans at a high cost.
- Nationally payday loan borrowers pay \$16 for a \$100 loan, well above 300% annual interest rates. (Sources: Federal Reserve Bank of Dallas / AARP)

Financial Institutions participating in *Bank on Dallas* have agreed to offer zero or low-cost checking accounts with no minimum balance requirements and to also accept the Matricula Card as a form of identification. A second form of identification may be requested.

“The person at the bank or credit union will walk people through the entire process and show them how to sign up for free money management training classes to help get the most from their new account,” Allen said.

More than 17 banks and credit unions are currently participating in *Bank on Dallas* with more to be added over the next month. For a list of participating financial institutions visit: www.BankOnDallasTexas.com or call (214) 671-BANK (2265).

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