



# BANK ON FLORIDA

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## An Asset Building And Asset Preservation Initiative

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# Access to Mainstream Financial Services

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- An estimated 28 million Americans do not have a bank account – the first step to financial stability.
- Approximately 40 million Americans are “underbanked” or “misbanked”.
- An estimated one half million Florida citizens are unbanked.
- The check-cashing industry comprises more than 6,000 outlets, which process more than 180 million checks annually, generating \$1.5 billion in fees.
- The average unbanked worker spends over \$40,000 over a lifetime just to cash their paycheck
- 12 million Americans use RAL’s each year at an interest rate of 40% to 700%



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- Based on successful Bank on San Francisco pilot project that has in the two years of its existence seen almost 25,000 citizens open and actively use low or no cost checking accounts.
- First “Bank On” program in Florida, Bank on St. Petersburg was launched in August with the leadership of the City of St. Petersburg in collaboration with fourteen banks and credit unions, nonprofit organizations, the Federal Reserve Bank of Atlanta and the FDIC.

# The Bank On Model

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- A Bank On campaign is driven by partnerships
  - State wide asset building coalition
  - State and Municipal governments
  - Community-based organizations
  - Financial institutions and regulators
  - Regional and local Asset Building Coalitions or VITA Sites
- Innovative solutions are created to reach un- and under-banked individuals, including:
  - Developing safe, affordable financial products;
  - Creating pathways and supports to assist targeted populations to utilize these products; and
  - Conducting outreach campaigns to inform the public about these opportunities.

# Benefits of Successful Programs

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- Financial institutions receive increased access to the untapped market of the un- and under-banked
- Residents protect their income and assets and have more wealth-building opportunities
- Community groups have access to more asset-building opportunities for their clients
- Family financial stability= overall city economic vitality
- Financial services can become a part of larger community asset-building strategies.



# Partnerships are a vital ingredient

## – No one entity can do it alone

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- Florida Prosperity Partnership
  - Through its state network brings partners together
  - Coordinates state wide approach to Bank on Initiative
- Local/State Government roles:
  - Elected official serves as champion
  - Convener of stakeholders
  - Uses bully pulpit to engage financial institutions and community organizations
- Community organization roles:
  - Engages residents through direct outreach and referral
  - Acts as a primary service provider or convener for financial education
  - VITA sites offer connections to accounts
  - Assists with data tracking
- Financial institution roles:
  - Provides insight and expertise into development and provision of appropriate financial products
  - Participates in outreach and marketing
  - Collects and tracks data for evaluative purposes