

## **Community Financial Access Pilot**

### **Status Update for Underserved Committee Report 7/18/08**

The Community Financial Access Pilot is making significant progress in the eight designated communities to begin opening accounts for low- and moderate-income “unbanked” and “underbanked” individuals by September. Along with opening accounts, the CFAP will provide access to financial education and financial counseling through partnerships with established service providers. Additionally, the CFAP has identified a number of national partners that support multiple CFAP sites and will assist in sharing information about the CFAP to a national audience. These partners will be announced on the CFAP webpage upgrade this autumn; additional interested organizations should contact the CFAP Director. To date, a link has been added to the Treasury Department website: [www.treas.gov/cfap](http://www.treas.gov/cfap), which can take interested individuals directly to information about the CFAP. Materials on the page provide information and guidance to those interested in implementing financial access initiatives in their communities, and the CFAP team will continue to add useful materials to the page.

#### **Mississippi Delta, MS**

This site will focus on towns in Bolivar (Cleveland), Washington (Greenville), Sunflower (Indianola), and Leflore (Greenwood) Counties. Approaches will reach parents of young children and Americorps VISTA volunteers initially, with additional efforts underdevelopment. Partners include local non-profit organizations, regional and local financial institutions, and the FDIC. Individual local volunteers have also shown strong support.

#### **Brownsville/Cameron County, TX**

The CFAP in Brownsville/Cameron County will reach a wide range of low- and moderate-income families and individuals. Key planned approaches will focus on debt reduction and enhancing savings. In particular, financial institutions are considering a pool to provide small dollar loans with a savings component through an existing multi-bank community development corporation. A number of regional financial institutions have committed to participate. A financial fair to launch the initiative will be held by mid-August. FDIC, OCC, OTS and FRB of Dallas are all assisting in the initiative.

#### **Fresno (City and County), CA**

The CFAP is coordinating with the statewide Banking on California initiative. This model, with Treasury’s added value, will ensure that financial institutions provide basic banking products and that financial education is provided throughout the city’s and county’s underserved communities. A number of national/statewide banks have committed to participating. The Mayor of Fresno has provided strong support to the initiative. Local financial education and community organizations are in the process of evaluating and coordinating efforts. Bank on California is taking the lead in coordinating the financial institutions, and Treasury is taking the lead in coordinating the education providers and community organizations.

#### **St Louis, MO**

We will be working with the St. Louis Department of Human Services to coordinate with existing financial education providers and asset building initiatives to provide access to bank and credit union accounts for low- and moderate-income people in St. Louis and surrounding areas. We will also work to connect tax assistance sites to accounts in the next tax season.

#### **Eastern Kentucky**

This site will serve working individuals in rural Appalachian Kentucky by encouraging savings and debt reduction. Key planned approaches include promoting financial access and education in the workplace. Specifically, we will be working with a community development financial institution to expand its pay day alternative loan product, which includes an account with half the amount of the loan. We are working with this organization to enhance the work-place based financial education by incorporating other partners in the effort. We are working with the Federal Reserve Bank of Cleveland and the Appalachian Regional Commission to support this initiative.

### **Cowlitz County, WA**

This effort will build on local asset-building efforts to ensure provision of affordable accounts to low- and moderate-income individuals. Key approaches will include provision of basic financial services, second chance accounts, and savings incentives. Financial education will be focused on diverse non-profit groups delivering the FDIC's Money Smart curriculum, and credit counseling will be offered through existing credit counseling organizations. National banks and regional credit unions have committed to participating, along with an array of community based organizations. The collaborative is also working on enhancing EITC outreach and tax assistance for the next season, and opening accounts at the tax sites. A number of Federal and State agencies are supporting the effort.

### **Philadelphia, PA**

The pilot will work in diverse low-income neighborhoods in the City and County of Philadelphia to provide access to financial services and financial education. The City Controller will assist the effort by convening groups and raising the profile of the initiative. A number of national banks have committed to supporting the initiative, and we are in discussion with local financial institutions.

### **Jacksonville, FL**

The CFAP will work with existing service providers to expand financial services and education provided in low-income neighborhoods and connecting with job-training and –placement efforts. We are coordinating with local government agencies, cooperative extension as well as non-profit organizations and financial institutions. The Federal Reserve Bank of Atlanta has provided key assistance to the initiative.