



BANK ON CITIES CAMPAIGN

**A Project of the National League of Cities'
Institute for Youth, Education, and Families**

SUPPORTED BY THE ANNIE E. CASEY FOUNDATION AND THE FORD FOUNDATION

At a time when many families are struggling to make ends meet, city leaders are taking bold steps to help residents become more financially stable. The National League of Cities' Institute for Youth, Education, and Families' (YEF Institute) *Bank On Cities Campaign* provides assistance to municipal leaders interested in developing initiatives to connect low- and moderate-income residents to mainstream financial services and products. Access to a bank account can help residents avoid costly alternative financial services and enable families to build and protect their assets.

Background

The *Bank On Cities Campaign* grew out of an earlier technical assistance project that helped municipal officials build a comprehensive asset-building agenda. City leaders observed that millions of dollars were being spent by low-income families on alternative financial services, which had a tremendous impact on local economies and community well-being. Project participants learned how access to financial services, the ability to accumulate and protect savings or other financial assets, and the avoidance of unmanageable debt and bad credit are keys to both family financial stability and the broader economic vitality of their cities.

Bank On Cities Campaign: The First Year

In February 2008, the YEF Institute launched the first phase of the *Bank On Cities Campaign*. Modeled after the City of San Francisco's *Bank On San Francisco* program, the campaign strategically engaged a group of mayors and their senior staff to in connecting residents with mainstream financial services. Project participants were encouraged to collaborate with financial institutions and community-based organizations to provide residents with access to basic, low-cost financial services. A typical "Bank On" starter account can include a free or low-cost checking account, increased access to financial services for residents who have had negative experiences with financial institutions in the past, protection from certain overdraft or other bank fees, and a financial education component. The campaign also helped municipal officials develop and advance local asset-building agendas to help families achieve financial stability.

Cities participating in the 2008 campaign included Boston, Mass.; Houston, Texas; Los Angeles, Calif.; Miami, Fla.; New York, N.Y.; Providence, R.I.; San Antonio, Texas; San Francisco, Calif.; Savannah, Ga.; and Seattle, Wash. Early results from cities that have launched *Bank On* initiatives have been very promising. San Francisco, Seattle, and Houston have exceeded their initial goals to reach unbanked residents and are finding that program participants are maintaining their accounts and utilizing financial education and counseling services.

Bank On Cities Campaign: The Next Phase

During the first year, interest in the *Bank On* model spread rapidly around the country, resulting in numerous requests to NLC for assistance in replicating the program. In April 2009, the YEF Institute selected a new cohort of eight cities to join the second phase of the project. These cities will receive technical assistance for one year to develop and implement *Bank On* initiatives and other programs that connect residents to the financial mainstream.

Cities participating in the 2009 *Bank On Cities Campaign* include Bryan, Texas; Denver, Colo.; Gaithersburg, Md.; Indianapolis, Ind.; Louisville, Ky.; Newark, N.J.; Rapid City, S.D.; and St. Petersburg, Fla. The YEF Institute will work with municipal leaders from each city to forge connections among city agencies, financial institutions, and community organizations, strengthening the capacity of these cities to develop and promote opportunities for accessible mainstream banking and financial education. Project cities will benefit from the experience of NLC and the first cohort of cities as they seek to better understand the financial landscape in their communities, and develop new strategies to meet the specific needs of their residents.

Major Project Activities

Throughout the project, the YEF Institute will assist each city team in the development and implementation of an action plan which will lay out the city's goals, as well as a detailed plan for meeting those goals. The project includes:

- Cross-city peer exchanges through monthly conference calls and web seminars on key topics related to “banking the unbanked”;
- One-on-one guidance through individual calls and emails with city teams;
- Facilitated connections between project cities and national experts and resources;
- Site visits by NLC staff to project cities to meet with local leaders and stakeholders and provide one-on-one guidance to city teams;
- Assistance with planning and promoting official launches or other events related to *Bank On* initiatives; and
- At least one cross-site convening which will provide an opportunity for participants to share ideas and challenges with each other and to learn from experts in the field.

Contact Information

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