



DCU BULLETIN

Division of Credit Unions

Washington State Department of Financial Institutions

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Conference on Reaching Unbanked People

The Department of Financial Institutions is participating with federal regulators to present a conference designed to explore ways to reach a new market – the unbanked members of our community. Reaching people outside the financial mainstream takes creative thinking and often involves partnerships between financial institutions and community organizations that have access to and the trust of the unbanked.

At this conference you will hear from some of the most innovative financial institutions and other organizations working to reach the underserved consumers in the Northwest. This meeting will also provide a forum to share observations and ideas.

You may be shocked to hear how many people are not part of the banking system – many of them earning a good living but who are particularly vulnerable because they do not use a traditional financial institution. Anecdotal stories of people who are unbanked include:

- A fisherman getting off commercial vessels with tens of thousands of dollars in his pocket representing his share of “the catch.”
- A landscaper and tree trimmer who never banks the cash payments he receives and uses a check casher to cash any personal checks, losing 10% or more of his income to check cashing fees.
- A legal immigrant from Russia who because of his experiences with banking in his home country does not trust or use financial institutions here.
- A young person working their first job.

Many people simply are not knowledgeable about the protections and benefits available in traditional financial institutions. Some people come from families that were unbanked. Their close friends and co-workers also may not model use of financial services from traditional financial institutions. This may be hard to imagine since many of us come from families who used financial institutions and we are in the financial services business.

Other people don't think financial institutions are for "them." They believe financial institutions are only for people with '9-to-5' jobs or those who are rich. People may work jobs where they get "dirty" like landscaping, welding, or fishing and don't think they will be welcome inside a financial institution. They might feel too embarrassed to go to a traditional financial institution but not too embarrassed to go to a check casher. Other barriers to use of services from traditional financial institutions include: language, inconvenient hours of operation and locations, mistrust of banking institutions, and regulatory constraints on high risk lending. This conference will help identify best practices and innovations in reaching unbanked people and adding them as valued members of your credit union.

We hope you can attend our conference. Not only will you be able to learn specific steps and resources for entering this market, but together we can work to advance financial literacy in our communities.

The conference is March 27, 2007, 9:00 AM to 4:30 PM at the Grand Hyatt Seattle, located at 721 Pine Street in downtown Seattle. Further information is available at: <http://dfi.wa.gov/cu/unbanked.htm> . For a map and directions to the conference, visit: <http://grandseattle.hyatt.com> .

The conference is free but advance registration is required as space is limited. By **March 22, 2007** please fax or mail your registration to:

Lauren Mercado Brioses
Community Development
Federal Reserve Bank of San Francisco
101 Market Street, Mailstop 620
San Francisco, CA 94105

Fax: (415) 393-1920

**Attention: Northwest Regional Conference
on Reaching Unbanked People**

Registrant's Name: _____

Title: _____

Organization: _____

Mailing Address: _____

Phone Number: _____

E-mail Address: _____

We look forward to seeing you at this conference. Any question or concerns should be addressed by calling Jane Johnson at (360) 902-0508.