

Financial Access for Immigrants

On behalf of Connecticut Appleseed, Greenwich Associates (www.greenwich.com) conducted in early 2008 a survey of eight banks located in Connecticut to assess their awareness of and responsiveness to the financial needs of immigrant communities in the state. The results of that survey are summarized below.

Connecticut Bank Survey Findings: All eight banks, local and global, recognize a growing immigrant population in Connecticut. Many are familiar with the unique needs of this demographic, and are designing programs to meet those needs. Seven of the eight banks interviewed tailor ad campaigns to the immigrant community, and have organized or sponsored community outreach events. Some of these initiatives include:

- Seminars for first-time home buyers
- Budget and credit classes at ESL schools
- Television broadcasts about fraud and identity theft
- General financial education

Immigrant customers may encounter language barriers, but every bank interviewed is prepared to accommodate this.

Languages spoken by bank employees include:

- Spanish (8)
- Portuguese (4)
- Other Western European languages (French, German, Italian) (4)
- Eastern European (Polish, Russian) (4)

Bank literature is translated into:

- Spanish (7)
- Polish (1)

Bank website is translated into:

- Spanish (5)
- Unspecified (1)

Availability of Banking Services for the Immigrant Community in Connecticut

Various financial products and services are available to customers with little or no banking history. For example, customers seeking to open a checking account can establish identity with the following forms of identification:

- State-Issued Driver's/Non-Driver's License (8)
- Federal/State Issued Photo ID (incl. passports and internationally issued IDs) (7)
- Green Card/Alien Card/Visa (6)

- Consular Card (2)
- Social Security Card (2)
- Pay stub (2)
- Military ID (2)
- Employment ID with photo (1)
- Tax ID number (1)

Customers from the immigrant community often lack a formal credit history or credit score. A number of banks have recognized this and have found alternative methods for these customers to obtain credit:

- Using the applicant's last 4 pay stubs and/or considering the applicant's income level
- Estimating a credit score (done by some mortgage departments)
- Factoring in the individual's relationship with the bank
- "Emerging credit," in which the customer puts down a deposit and receives a line of credit after 6 months, which increases as the customer establishes a good credit history

Accommodating the Unique Needs of the Immigrant Community in Connecticut

Some customers find it difficult to do their banking within "traditional" working hours, but the banks interviewed cited a number of alternatives available:

- Evening Hours/Extended Weekday Hours (5)
- Saturday Hours (5)
- ATM Services (4)
- Online Banking (4)
- Telephone Banking (3)
- Express Deposit Box/Night Depository Services (2)

Limits/Restrictions on Banking Services

- With few exceptions, the banks surveyed offer unlimited transactions, deposits, check writing, and teller interaction for account holders.
- Seven banks offer free checking accounts without restrictions. It is available at the eighth bank by using direct deposit or maintaining a balance of \$750.
- Five banks require a minimum deposit, ranging from \$.50 to \$50.00, although this policy is sometimes relaxed.
- Minimum balances (\$.01 to \$1.00) must be maintained at half of the banks.

Extending the Relationship Overseas

All banks allow customers to use ATM cards abroad, with varying restrictions or fees.

Other available services:

- Seven banks offer remittance services
- Five banks have currency exchange available at their branches
- Four partner with foreign banks other than their own international branches

Foreign Bank Partners:

- L@Red de la Gente
- Telecomm – Telegrafos
- The Bank of China
- The Royal Bank of Scotland

Banamex
Banco Santander
Bansefi
Grupo Financiero Banorte