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For Immediate Release

**'Bank On' program kicks off in second Illinois city**

Naperville, IL., February 10, 2010 – Bank on Illinois, a relatively new program initiated by Illinois State Treasurer Alexi Giannoulias, recently kicked off in Aurora, the second city in which it is currently operating in the state.

The program aims to offer unbanked residents from underserved and minority communities free and/or low-cost accounts with mainstream financial institutions. The first host city for this program was Rockford, which just recently wrapped up its first quarter of implementation. Bank on Illinois is modeled after a similar program launched in 2006 by the San Francisco, California Treasurer's Office.

According to the Pew Charitable Trusts, Illinois is home to approximately 368,600 unbanked households, including 5,300 in Aurora, which means these households rely on alternative financial services. These include: check cashing, remittances, money orders, bill payment services, and short-term loans (e.g., pawn loans) that are used to cash checks, pay bills and borrow or wire money instead of a bank or credit union.

These alternative bank services are costly. The average unbanked household in Illinois pays \$574 a year just to cash payroll checks, leaving just \$22,376 in remaining annual household income.

"Too many Aurora residents are ripped off by check cashers and payday lenders and become trapped in an endless spiral of debt," said Treasurer Giannoulias. "Having access to traditional checking and savings accounts will translate into financial independence and empowerment."

Nationally, 65 percent of unbanked residents are employed full-time and another 24 percent work part-time, Pew reports. However, more than half of unbanked households say they've never had a checking account because of misperception and distrust of banks.

Added Laura Page, Policy Advisor for the Illinois State Treasurer, "By participating, credit unions and financial institutions can promote mainstream banking and financial literacy training. Studies show that distrust of financial institutions keeps many qualified individuals from opening accounts and Bank On programs are successful because of the engagement of nonprofit organizations that equip clients with the tools to succeed."

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Bank on Aurora has a target launch date in the community of April 1, 2010. Partner organizations, which include local not-for-profit agencies and financial institutions including credit unions, aim to sign up 1,200 individuals in the Aurora area in the next year. The two participating credit unions in the program include Earthmover Credit Union and Fox Valley Credit Union.

To participate in Bank On Illinois, financial institutions must offer free or low-cost checking and savings accounts, "second chance" accounts for people with negative histories and accept tax identification numbers, Matricula Consular and other foreign IDs in place of Social Security numbers. To qualify for an account, residents must have a history free of identity theft and fraud, and will be encouraged to enroll in financial literacy training courses.

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**Note:** The Illinois Credit Union League (ICUL) is the primary trade association for credit unions in Illinois, which provides members with information, legislation and education. Membership is open to any credit union operating in accordance with the Illinois Credit Union Act or the Federal Credit Union Act. There are 404 credit unions in Illinois with more than 2.7 million members.