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- **File a complaint with DCA.** Call 311 or visit [www.nyc.gov/consumers](http://www.nyc.gov/consumers) to contact DCA.

Thursday, February 25, 2010

Kay Sarlin/Elizabeth Miller, (212) 487-4283

## **MORE THAN 825,000 ADULTS IN NEW YORK CITY DO NOT HAVE BANK OR CREDIT UNION ACCOUNTS ACCORDING TO NEW CITYWIDE STUDY**

### ***Commissioner Mintz Kicks Off Citywide Outreach Campaign to Enroll Unbanked New Yorkers into NYC SafeStart Bank Accounts***

Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz today announced that more than 825,000 adult New Yorkers do not have bank accounts, but instead use fringe financial services like check cashers to pay bills, cash payroll checks, buy money orders and conduct other financial transactions. To help New Yorkers transition from using high-cost fringe financial services, DCA has created NYC SafeStart Bank Account, the City's first banking product available to all New Yorkers.

The Citywide Financial Services Study, which for the first time quantifies the number of unbanked adults in New York City, was commissioned by DCA's Office of Financial Empowerment (OFE). In 2008, DCA's OFE released a Neighborhood Financial Services Study, which examined banking practices in two neighborhoods – Jamaica, Queens and the Melrose section of the Bronx – and found that residents in these areas spent more than \$19 million a year on check-cashing fees alone. This new study provides a complete Citywide picture of banking practices in all five boroughs, including local level data on the number and proportion

of unbanked and underbanked households, locations of traditional and non-traditional financial institutions, and measure of access to financial institutions. Commissioner Mintz presented the findings at a forum hosted by the Center for New York City Affairs at The New School entitled “Banking Under the Mattress: Financial Literacy and Unbanked New Yorkers.”

“Having a bank account helps families save money, grow their assets and guard against unexpected financial emergencies. But far too many New Yorkers don’t have access to banking products that are safe or affordable, or get pushed out of the mainstream banking because of unpredictable fees like overdraft protection,” said Consumer Affairs Commissioner Jonathan Mintz. “The City has focused our resources on what is needed most – creating safe, affordable banking products. The NYC SafeStart Account is yet another way the Department of Consumer Affairs can help New Yorkers protect their money at a time when they need it most.”

Mayor Bloomberg highlighted the NYC SafeStart Account during his 2010 State of the City Address as first of its kind in the nation. The NYC SafeStart Account is an ATM-based starter account designed to help New Yorkers protect their money by avoiding costly fees, like overdraft fees or monthly fees, which City data shows is the top reason unbanked City residents do not use, or stop using banks or credit unions. The account, which can never be overdrawn, is being offered in partnership with Amalgamated Bank, Bethex Federal Credit Union, Brooklyn Cooperative Federal Credit Union, Capital One Bank, Carver Federal Savings Bank, Checkspring, Lower East Side Peoples Federal Credit Union M&T Bank, Neighborhood Trust Federal Credit Union and Union Settlement Federal Credit Union. Any New Yorker is eligible to open a NYC SafeStart Account, which, for the first two years, includes:

- No overdraft fees
- No monthly fees, provided minimum balances are met
- Minimum balance requirements of \$25 or less
- ATM Card

For more information about how to open a NYC Safe Start Account, City residents can call 311 or visit [nyc.gov/ofe](http://nyc.gov/ofe).

The Department commissioned Social Compact, a leading non-profit research firm, and Acxiom, a global marketing services company, to provide analytical estimates of the banking patterns of New Yorkers for the Citywide Financial Services Study. The study includes data derived from public and private sources, including InfoBase-X data, the largest collection of U.S. consumer data available in one source.

Key findings include:

- **New Yorkers are more likely than the rest of the country to be unbanked.**
  - In New York City, more than 13 percent of households – or more than 825,000 adults – do not have bank accounts, compared to 7.7 percent of households nationwide.
  - Compared to New York City as a whole, Bronx households are more than twice as likely to be unbanked.

#### Unbanked New Yorkers by Borough

Borough	Number of Adults	Number of Households	Percent of Households
Bronx	269,213	134,293	29%
Brooklyn	288,432	137,625	16%

Manhattan	166,414	95,306	13%
Queens	108,413	47,926	6%
Staten Island	6,305	2,989	2%
<b>New York City Total</b>	<b>827,334</b>	<b>405,573</b>	<b>13%</b>

- **New York City's unbanked households are highly concentrated in certain neighborhoods.**
  - Nearly half (48%) of unbanked households in New York City live in one of 10 neighborhoods.
  - The Mott Haven/Melrose neighborhood has the highest percentage of unbanked households in the City (56%).

#### Top 10 Unbanked New York City Neighborhoods

Top Unbanked Neighborhoods	Percent Unbanked
Mott Haven/Melrose (Bronx)	56%
Morris Heights/University Heights (Bronx)	53%
Highbridge/Concourse (Bronx)	51%
Ocean Hill/Brownsville (Brooklyn)	47%
Bushwick (Brooklyn)	47%
Washington Heights/Inwood (Manhattan)	46%
West Harlem (Manhattan)	38%
East Harlem (Manhattan)	37%
Central Harlem (Manhattan)	36%
Jamaica (Queens)	24%

- **Proximity to a bank or credit union is no guarantee that residents will open a bank account.**
  - The top 10 unbanked neighborhoods average one bank or credit union present for every two alternative financial services provider, compared to 1.5 banks and credit unions for every alternative financial services provider Citywide.

To download the key findings or request the data set, visit [nyc.gov/ofe](https://nyc.gov/ofe).

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Ensuring a fair and vibrant marketplace for consumers and businesses, DCA licenses more than 71,000 businesses in 57 different industries. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses alike about their rights and responsibilities. DCA's Office of Financial Empowerment is the first municipal office of its kind in the nation with a mission to educate, empower and protect New Yorkers with low incomes. DCA's OFE administers a citywide network of Financial Empowerment Centers and other products and services that help these New Yorkers make the best use of their financial resources to move forward economically. For more information, call 311 or visit DCA online at [nyc.gov/consumers](https://nyc.gov/consumers).

Thursday, February 18, 2010

Kay Sarlin/Elizabeth Miller (DCA), (212) 487-4283  
Jason Werden (ALERT Campaign), (202) 828-9726

**NEIGHBORWORKS® AMERICA JOINS CITY OFFICIALS FOR LOCAL LAUNCH  
OF NATIONAL 'LOAN MODIFICATION SCAM ALERT' CAMPAIGN**

***Campaign Offers At-Risk Homeowners Free Resources to Recognize Scams,  
Report Them and Find the Help They Need***

NeighborWorks® America today launched the national "Loan Modification Scam Alert" campaign in New York City to provide City residents facing the possibility of foreclosure with vital information to guard against loan modification scams, find trusted help and report illegal activity to trusted authorities. NeighborWorks Chief Operating Officer Eileen Fitzgerald was joined for the announcement by New York City Mayor Michael Bloomberg, New York City Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz, representatives from the Center for New York City Neighborhoods and other City officials.

The national foreclosure rate has reached an all-time high of 8.85 percent, and millions more foreclosures are expected in coming years. In New York, the rate is near 7.78 percent. "Too many residents in New York City are losing thousands of dollars and their homes to scam artists who make big promises and then do little or nothing to help them save their homes," said Fitzgerald. "Anyone can be a victim and the people of New York City need to know what resources are available to them. They need to know that there

are free services available to anyone seeking help."

In New York City, 'Loan Modification Scam Alert' campaign advertisements can be seen on an animated billboard in Times Square that will run until March 31, encouraging City residents to call 311 to access free foreclosure counseling services and file complaints against businesses using illegal and deceptive practices to sell loan modification services. Now through Feb. 21, campaign street teams, which include DCA Civic Corps volunteers, will be distributing informational fliers available in five languages – English, Spanish, Chinese, Korean and Vietnamese – in some of the hardest hit foreclosure neighborhoods in New York City to spread the word about the campaign and the free foreclosure services offered in New York City. Public service announcements have also begun airing on select stations in New York City and other impacted markets across the country.

"We have made great strides to protect New Yorkers from fraud and prevent foreclosures but far too many residents in New York City are still at risk of losing their homes thanks to scam artists who make big promises and then do little or nothing to help," said Mayor Michael Bloomberg. "We can do more. Alerting New Yorkers to the dangers of loan modification scams is an important step to making sure homeowners do not become victims. If you and your family are facing foreclosure, call 311. It is the best source for free, confidential, one-on-one foreclosure prevention services."

The launch event coincided with the passing of Local Law 74, which went into effect on Feb. 17 to provide New Yorkers with further protections against loan modifications scammers by requiring any business advertising loan modification or foreclosure prevention services to inform consumers of their rights. This new law will be enforced by the Department of Consumer Affairs

"In New York City, foreclosure prevention businesses cannot charge upfront fees for their services, and as of this week they must warn consumers of that fact in all of their advertisements," said Consumer Affairs Commissioner Jonathan Mintz. "New Yorkers facing potential foreclosure should call 311 for free, professional help."

"There are few actions more troubling than preying on the fears of vulnerable people," said New York City Department of Housing Preservation and Development (HPD) Commissioner Rafael E. Cestero. "Just as homeowners should call 3-1-1 immediately for free assistance if they are at risk of foreclosure, so too should they call if they have any questions or concerns about foreclosure rescue firms and any up-front fees. When you can get good quality advice from experienced housing professionals at no charge, why go anywhere else? Know your rights. It's the best thing to do, and it's free."

"The Center for NYC Neighborhoods is fortunate to have the leadership of Mayor Bloomberg and the New York City Council in fighting foreclosures in our neighborhoods," said Michael Hickey, Executive Director of the Center for NYC Neighborhoods. "Together we are attacking the problem on every front: by passing the strongest consumer protection laws against scams in the country; by mobilizing the most engaged advocates within the CNYCN Network and our partner organizations; and by providing 311 as a single point of consumer access, so that increasing numbers of homeowners can report scams and get counseling to fight losing their homes to foreclosure."

New Yorkers facing foreclosure can call 311 to schedule free counseling sessions at the Center for New York City Neighborhoods and file complaints about loan modification scams. Nationally, information, resources and reporting capabilities are now available around the clock at [www.LoanScamAlert.org](http://www.LoanScamAlert.org) and by calling 1-888-995-HOPE (4673).

"Our campaign is based on the belief that knowledge is the best defense, which is why

we're equipping homeowners with the tools they need to minimize their risk and stop scammers in their tracks," said Fitzgerald.

NeighborWorks® America is coordinating the "Loan Modification Scam Alert" campaign nationwide through its 235 community-based affiliates and other local, state and national partner organizations, including the Department of Housing and Urban Development (HUD), the Federal Trade Commission, the U.S. Department of the Treasury, Fannie Mae, Freddie Mac and the Lawyers' Committee for Civil Rights Under Law. For more information about the campaign, visit [www.LoanScamAlert.org](http://www.LoanScamAlert.org).

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Ensuring a fair and vibrant marketplace for consumers and businesses, DCA licenses more than 71,000 businesses in 57 different industries. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses alike about their rights and responsibilities. DCA's Office of Financial Empowerment (OFE) is the first municipal office of its kind in the nation with a mission to educate, empower and protect New Yorkers with low incomes. DCA's OFE administers a citywide network of Financial Empowerment Centers and other products and services that help these New Yorkers make the best use of their financial resources to move forward economically. For more information, call 311 or visit DCA online at [nyc.gov/consumers](http://nyc.gov/consumers).

Thursday, February 11, 2010

Kay Sarlin/Elizabeth Miller, Department of Consumer Affairs, (212) 487-4283  
Cassie Salinas, One Economy Corporation, (503) 542-0862

**DEPARTMENT OF CONSUMER AFFAIRS COMMISSIONER MINTZ ANNOUNCE  
FIRST ONLINE FREE TAX PREPARATION SERVICE**

***New Yorkers Earning Less than \$58,000 Can Learn How to File Their Taxes  
Free by Visiting [nyc.gov/OnlineFreeTaxPrep](http://nyc.gov/OnlineFreeTaxPrep)***

***City Estimates Nearly 2.7 Million New Yorkers Qualify for the City's New Fr  
Tax Preparation Service***

As part of Mayor Bloomberg's 8th Annual Tax Credit Campaign spearheaded by the Department of Consumer Affairs (DCA) Office of Financial Empowerment (OFE), Commissioner Jonathan Mintz today announced the City's first ever online free tax preparation service for City residents available by visiting [nyc.gov/OnlineFreeTaxPrep](http://nyc.gov/OnlineFreeTaxPrep). New Yorkers who earn \$58,000 or less per tax return qualify to prepare and electronically file their tax returns for free. The service is powered by One Economy Corporation – a nonprofit that leverages the power of technology to empower people to enter the economic mainstream – with their online tax filing software The Beehive. In 2007, nearly 2.5 million New Yorkers paid to have their income tax returns prepared. The City estimates that more than 2.7 million New Yorkers may qualify for this free online tax preparation service.