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**United Way Silicon Valley President and CEO Joins  
Governor Schwarzenegger to Announce Bank on San Jose**

First-in-the Nation Effort Encourages More Working Families to Open Bank Accounts

**SACRAMENTO, Calif., December 12, 2008** – United Way Silicon Valley President and CEO Carole Leigh Hutton joined California Governor Arnold Schwarzenegger today at the Capitol Rotunda to announce Bank on San Jose, one of five cities participating in a first-ever statewide initiative called Bank on California to encourage the “unbanked” to open bank accounts and take advantage of financial services offered by mainstream financial institutions. The initiative is also being launched in Fresno, Los Angeles, and Oakland.

“Low and middle-income workers often end up paying so much more for financial services that many of us take for granted,” said Hutton. “Bank on San Jose will help local workers gain access to important banking services that can help them build assets and become more financially stable and independent.”

United Way Silicon Valley has partnered with the Office of San Jose Mayor Chuck Reed, eight financial institutions, federal bank regulatory agencies and community-based organizations to launch Bank on San Jose. (A list of participants is below.) The initiative will help low and middle-income residents open bank accounts and establish savings, build a credit history, gain access to lower-cost sources of credit, and invest in their future.

“The Bank on California initiative will connect our diverse population to local banks and financial institutions, helping families to achieve financial stability,” said San Jose Mayor Chuck Reed. “I applaud our community partners who have enthusiastically given their support and resources as well as thank Governor Schwarzenegger’s office for creating and leading this great initiative.”

Many lower-income workers rely on alternative financial institutions such as check-cashing services, payday lenders and pawnshops. According to a Brookings Institution report, Americans spend more than \$8 billion each year on these more expensive banking alternatives, which means a

cost of about \$40,000 for the average worker who uses these services over the course of his or her career.

In San Jose, more than \$25 million in fees were paid to non-bank check-cashing services and payday lenders in 2006, according to the report. Checks totaling more than \$574 million were cashed through non-bank check-cashing services.

“Imagine the economic and social benefits of keeping this \$25 million in the hands of low and middle-income San Jose residents,” Hutton said. “It could be used to build assets like a home, business, education or retirement savings.”

In addition to building financial security, keeping savings in an FDIC or NCUA-certified financial institution is safer. Individuals and families with no personal accounts may not have a safe place to keep their money, increasing their chances of loss due to fire, natural disasters or crime.

But many unbanked residents, including immigrants, are often leery of banks or don't understand how they can benefit from the financial services offered. Bank on California aims to raise awareness about the value of these services and how they can help families and individuals gain financial independence.

United Way Silicon Valley is working with its Bank on San Jose partners to provide financial education as well as the opportunity to open specially designed starter accounts. Even those who have had financial troubles in the past and have been placed on the ChexSystem will have the opportunity to open an account at participating banks or credit unions. Anyone interested in learning more about Bank on San Jose can go to [www.211scc.org](http://www.211scc.org) and click on the Bank on San Jose icon.

In January 2008, California became the first state in the nation to launch a statewide initiative that aims to help the unbanked open starter accounts when it announced Bank on California. According to the Brookings Institution, 11 percent of California households do not have a checking account while 47 percent do not have a savings account. In addition, 24 percent of Latino households do not have a bank account.

Former President Bill Clinton had hoped to be at today's event, but was unable to make it. The William J. Clinton Foundation is helping to promote Bank on California as well as similar projects that are being initiated around the country.

United Way Silicon Valley is focused on the building blocks for a good life: income, education and health. United Way works with corporations, organizations and individuals to address the root causes of local problems and create lasting change here in Santa Clara County.

For more information about United Way Silicon Valley, visit [www.uwsv.org](http://www.uwsv.org).

Participating Financial Institutions

Bank of America

United Commercial Bank

Bank of the West

Guaranty Bank

Santa Clara County Federal Credit Union

Citibank

Union Bank of California

Wachovia

Bank on San Jose Coalition

A New America

Hispanic Aging and Family Council

Asian Americans for Community

Mexican American Community Services

Involvement

Agency

Business, Transportation and Housing

Neighborhood Housing Services Silicon

Agency

Valley

Catholic Charities of Santa Clara County

Office of the Mayor of San Jose

Center for Employment Training

Opportunity Fund

Consumer Credit Counseling Service

Sacred Heart Community Service

Council on Aging Silicon Valley

San Jose Job Corps

Department of Treasury

Santa Clara County Social Services Agency

EHC Life Builders

Silicon Valley Community Foundation

Federal Deposit Insurance Corporation

Silicon Valley Council of Nonprofits

Goodwill of Santa Clara County

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