

urbanite

BALTIMORE

Urbanite #57 March 09

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Relief for the “unbanked”: The Baltimore Cash Campaign works to bring basic money services to urban neighborhoods that legitimate financial institutions have abandoned. | photo by Tasha Treadwell

Jamella Liquors, on the corner of Mosher and Monroe streets, looks a lot like other convenience stores in this part of West Baltimore. Inside you can buy beer, cigarettes, potato chips, and whatever else you can make out through the half-inch of bulletproof glass that protects the workers and all of the store’s stock. If you’re low on cash, an ATM sits on the customer’s side of the divide. For a fee, you can also buy money orders or cash your payroll check.

For many residents of this neighborhood, this might be as close as they’ll get to a real bank. According to a 2008 report on the alternative financial services industry from the Brookings Institution, a Washington, D.C.-based think tank, there are no legitimate banks within walking distance of Jamella’s. On a map of Baltimore’s bank branch locations included in the report, the store sits at the epicenter of a west-side financial services desert—approximately four square miles with no convenient access to basic services such as checking and savings accounts.

More than twelve million Americans live in households in which no one has a checking account. Instead, they rely heavily on “fringe banking”—check cashers, payday lenders, and pawnshops—for basic financial transactions, at a cost of \$8 billion in annual fees. By Brookings’ calculations, this can add up to \$40,000 in missed earnings over a worker’s lifetime.

“People really rely on the services in their neighborhood,” says Joanna Smith-Ramani, director of the Baltimore Cash Campaign, a coalition of government, private, and nonprofit groups promoting basic financial literacy and services to low- and moderate-income families. “When they don’t have access to high quality, mainstream financial services and financial institutions, then they’re making a rational decision to say, ‘Well, what’s here is this check casher where I can pay all my bills, because what doesn’t work in my life is hopping on three buses to head downtown to get to a bank.’ That’s a pretty reasonable decision, I think.”

Baltimore Cash works with local organizations that residents trust, such as hospitals and community centers, to provide free financial literacy and tax preparation at twenty locations in Baltimore City and Baltimore County, including two in West Baltimore. Last year Baltimore Cash’s trained volunteers helped 14,000 people file \$15 million in returns for the federal Earned Income Tax Credit, at no cost. This month it plans to hold its largest single-day event, Money Power Day, that provides free tax, credit, housing, and public benefits counseling and financial planning to more than 1,200 people. (Money Power Day takes place March 21, 9 a.m.–3 p.m., at Baltimore Polytechnic Institute High School, 1400 W. Coldspring Lane. To register for this free event, call 410-487-7655 or go to www.moneypowerday.org.)

Because most of us file taxes just once per year, Baltimore Cash tries to leverage those one-time sessions into a long-term relationship with mainstream financial services and products such as checking accounts, savings accounts, and certificates of deposit. “A couple of years ago, we had a client who put his entire \$3,000 refund in a CD,” remembers Smith-Ramani. “He was so excited. He said, ‘I’ve heard of CDs, but no one ever told me what they were, and I thought it was something for someone else, not for me.’ I was almost in tears. Lower-income people should be offered the same opportunities. We should not underestimate what they want out of their life because of our assumptions about what they earn.”

—*Lionel Foster*

Each month, Urbanite profiles people and programs that are transforming the city, one block at a time. To nominate a transformer, e-mail editor@urbanitebaltimore.com.