



October 23, 2009

'Bank on Michigan' plans to assist nonbanking residents

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Local banks and credit unions announced Thursday a new financial training program to protect local low- and middle-class nonbanking residents from predatory practices.

According to Ingham County Treasurer Eric Schertzing, the 8,400 nonbanking households in Lansing, amounting to approximately 20 percent for the city, is the reason for "Bank on Michigan."

"This is going to offer a second chance to a number of these people," said Schertzing, launching the new money-saving effort from the Michigan State University Federal Credit Union on East Jolly Road in south Lansing.

He emphasized that those who don't bank are more likely to pay high-interest rates and fees whenever they want to cash a check, use their debit cards or buy a cash order.

The goal of the program is to provide training to those without bank accounts or with troubled banking pasts. Organizers hope participants will be inspired to start checking and savings accounts, or perhaps take out loans that offer much lower interest rates than nontraditional financial operations.

Representatives from banks and credit unions said their goal is to enroll the first group of 50 participants by the end of the year.

Training also will touch on income taxes and tax form preparation.

Other partners in the program include the city of Lansing, Ingham County, Michigan Association of United Ways, MSU College of Law, the Lansing Automakers Federal Credit Union, and Dart, Flagstar, and Independent banks.

Todd Tennis, an Ingham County commissioner representing south Lansing, said predatory cash lenders are seriously hurting those struggling to make it in the world.

"They work on people's desperation," Tennis said.

Organizers said they plan to raise awareness about the program by working with the area's social services network.

Additional Facts

To join

There are no formal requirements to enroll in Bank on Michigan. However, it's geared toward those without bank accounts or those with troubled banking pasts. Those interested in signing up are asked to call the county treasurer's office, 676-7235.