

## Resources for New Americans

Living in a new country is hard. It doesn't matter if you've lived in Philadelphia for 3 weeks, 3 months, or 3 years – life in a different place can be both exciting and stressful. We wrote this guide to talk to you about money in the U.S. along with some questions you might have about American banking. We want you to understand money and banking so you feel less stressed out – and more in control – while you are building a new life in a new place.



Want help learning more about money, including opening bank accounts, building savings, paying back debt, and raising your credit?

Get an appointment with a FEC counselor today!

**Call 1-855-346-7445**

### Q: Why do I need a bank account?

Bank accounts can save you a lot of money over your lifetime. Opening a bank account may seem like a lot of work, but cashing checks at a bank is cheaper than using a check casher. For example, let's compare prices of using two different check cashing businesses to using a bank account.

#### **To cash a \$500 paycheck:**

	<b>Check Casher A</b>	<b>Check Casher B</b>	<b>Bank Account</b>
<b>Percent of check taken</b>	2% of check	0% of check	0% of check
<b>Fee per check cashed</b>	\$0 fee per check	\$4 fee per check	\$0 fee per check
<b>Total overall pay</b>	\$490	\$496	\$500
<b>Total money lost</b>	\$120-\$240 every year	\$50-\$100 every year	\$0 every year

You might need that money quickly, but check cashers charge a fee to cash a check. Different checks have different fees, so it can be expensive! Banks can deposit all kinds of checks into your account for free. After all, don't you deserve all the money that you earned for your check?

Banks can also help you avoid check cashing fees with direct deposit and bill pay. With these tools, you can get and send money electronically for free. It's more convenient than check cashers.

### **Q: I don't have a job or much money. Can I afford a bank account?**

Many people think that they can't budget or save if they don't have a job, but people can get money in many ways. If you get paid for a small job, someone gives you money, or you find money another way, bank accounts can help you.

Checking accounts don't have to cost you lots of money! Bank On accounts are under \$5 every month and don't have overdraft fees. You can also pay your bills online and use mobile apps to do your banking. Go to [www.phila.gov/bankon](http://www.phila.gov/bankon) for more information about opening a Bank On account.

### **Q: I don't have an American ID or a Social Security number. Can I open a bank account?**

If you are from Mexico, you can use a Matricula Consular card to open a bank account. If you are not from Mexico and need help getting an American ID, you can go to:

#### **Philly Restart\***

phillyrestart.com

Meets Mondays at 4pm at the NW corner of 1900 Ben Franklin Blvd.

#### **Community Legal Services (Walk-in)**

1410 W. Erie Avenue, Philadelphia, PA

Walk-in Hours: 9 am – 12pm

*\*Philly Restart asks that you bring a referral letter from a city agency. They cannot cover the entire cost of an ID, but the cost to you would be less than \$30.*

You don't need a social security number to open a bank account in the United States. Instead, you can get an ITIN. The ITIN, or Individual Taxpayer Identification Number, "tax number," "IRS number," or "TIN number" lets you file taxes in the United States, so you might already have one. The IRS will not share your information with anyone else in the government. Immigration and Customs Enforcement (ICE) will not see your information if you apply for an ITIN.

You will need help to get an ITIN. Ceiba, a local non-profit organization, can help you get one. Call 215-634-7245 or go to [ceibaphiladelphia.org](http://ceibaphiladelphia.org) for more information.

Sometimes when you go to a bank to open an account, the bank tellers don't know that you can use different types of IDs or an ITIN to get an account. You can ask them to talk to their manager about it. The manager will know more about these documents. FEC counselors can also help you open an account.

### **Q: My English is not very good. Can I open a bank account?**

You don't need to speak English to do basic banking. Bank websites, phone numbers, and ATMs often have services in different languages, especially Spanish. You can do most banking at these three places.

If you need to talk to someone in a bank, some bank branches have bank tellers who speak your language. Bank websites sometimes tell you if a bank branch has employees who speak different languages. Bank branches also have telephone translation services to help you speak with the teller.

If you still can't find someone who speaks your language, bring someone you trust who speaks English to help you.



Our FECs have counselors who speak many different languages.

They can help you open an account and learn how to use it.

Get an appointment with a FEC counselor today!

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### **Q: I am more comfortable using cash. Why do I need a bank account?**

Keeping cash in your home isn't safe because someone can steal it. You might even lose it. Instead, put your money in a bank. Banks in the U.S. are safe and secure. In fact, your money is insured for up to \$250,000 by the government. So, even if something happens at the bank, you will not lose your money.

Banks are faster and cheaper than using just cash. Here are some reasons banks are great, even if you don't have much money.

- Save money easily
- Send and get money from others easily
- Use bank debit cards to get your money or spend it for free
- Budget easily with bank statements

**Q: I use Western Union to send money to friends and family in another country. Why do I need a bank account if I can easily use this service?**

Western Union is easy to use, but it's very expensive! With a bank account and the internet, you can send money anywhere in the world AND save a lot of money.

Websites like Monito.com compare different companies that send money overseas. You can compare the price of sending money between two bank accounts, or to another country for pick up. For example, let's compare sending money abroad through Western Union to using your bank account through Monito.

**To send \$300 to the Dominican Republic with Western Union vs Monito:**

	<b>Western Union</b>	<b>World Remit (Monito.com)</b>
<b>Fee per amount sent</b>	\$8	\$4
<b>Exchange rate</b>	47.25 pesos per U.S. dollar	49.56 pesos per U.S. dollar
<b>Total amount received</b>	14175 pesos (\$280)	14878 pesos (\$294)
<b>Total money lost</b>	<b>\$28</b>	<b>\$10</b>

Both companies let your friends and family pick up money at a store, but one costs \$18 dollars less. That money adds up! So, before you send money to someone in another country, use your bank account and compare companies.

**Q: Why do I need a bank account if I get paid on a debit card?**

Payroll debit cards are easy to use, but they can have a lot of expensive fees. Bank accounts are better because direct deposit is fast and free.

Often, payroll debit cards come with fees. Here are some examples:

- Fees to take money from an ATM
- Fees to check how much money is on the debit card
- Fees to start using the cards

These fees add up over time!

Pennsylvania made rules about these paycheck debit cards:

- Workers can choose getting paychecks or paycheck debit cards
- Workers can take out their total paycheck from the card every time they get paid for free
- Workers can take money from their card with an in-network ATM once per week for free
- Workers can check the amount of money left on the card for free
- Workers can't be forced to pay for the debit card or their paychecks deposited on them
- Workers are allowed one free replacement card per year

If your job's payroll debit card breaks these rules, make a complaint with one of the following offices:

**Bureau of Labor Law Compliance:**

215-560-1858

1-877-817-9497

<https://www.dli.pa.gov/Individuals/Labor-Management-Relations/llc/Pages/Labor-Law-Compliance.aspx>

**Department of Banking and Securities**

1-800-PA-BANKS

(800-600-0007)

You can also talk to a lawyer for free:

**Lawyer Referral Information Service**

Iris.philadelphiabar.org

215-238-6333

**Community Legal Service**

1410 West Erie Ave, Philadelphia PA

Intake Hours: 9am-12pm on Mondays, Wednesdays, and Fridays

718 Arch St. Suite 300N, Philadelphia PA

Intake Hours: 9-11:30am on Mondays and Wednesdays

Or call 215-981-3800

Intake Hours: 9:30am-12pm on Tuesdays and Thursdays

**Q: I want to learn more about banking and using money in the United States. Where can I find more information?**

Try looking at the following websites. They have information in English and Spanish.

- [consumer.gov](http://consumer.gov)
- [handsonbanking.org](http://handsonbanking.org)



Do you learn better face to face? You can make an appointment with a Financial Empowerment Center and learn the basics of finances from an expert.

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