

NEW APPLESEED GUIDE HELPS BANKS PROVIDE FAIR AND EFFICIENT SERVICES TO GROWING INTERNATIONAL REMITTANCE MARKET

LINCOLN, Nebraska – January 8, 2008 – **Appleseed**, a network of public interest justice centers in the U.S. and Mexico, this morning released a first-of-its kind guide to assist banks and credit unions in better serving the growing remittance market. Immigrants living in the U.S. sent \$45 billion to Mexico and Latin America in 2006 (representing only 10% of their earnings), according to recent estimates from the Inter-American Development Bank.

In addition to providing a detailed market overview, **“Banking in a Global Market”** offers a comprehensive hands-on approach to setting up transparent and efficient remittance services, drawing on the experiences of large and small financial institutions throughout the U.S.

“Appleseed has found banks need guidance in starting remittance programs and serving the immigrant market. It’s win-win: by offering remittance services, financial institutions get new customers, and immigrants have more safe and convenient places to remit money, keep savings, build credit without paying high and unpredictable transaction fees,” said Betsy Cavendish, executive director of Appleseed.

“It’s important to note that 90% of immigrants’ incomes stay in the U.S., benefiting U.S. communities and economies,” said Darcy Tromanhauser, director of Nebraska Appleseed’s Immigrant Integration and Civic Participation Program. “But the money they send to their home countries is an important support to their families, and we’d like to see a transparent, competitive system that provides the best range of fair options.”

Over the past four years, Appleseed has educated immigrant communities about the U.S. financial services system and highlighted the market potential in immigrant communities to financial institutions. Appleseed has pressed for transparency in the remittance market and urged that a history of sending remittances be considered evidence of credit-worthiness.

Approximately 100 banks and credit unions in the U.S. currently offer and actively market consumer remittance products. “That is a fraction of the number that could be providing remittance services to growing immigrant communities,” according to Ann Baddour, senior policy analyst for Texas Appleseed and lead author of the guide. Among Latin American immigrants, 70 percent of remittance senders use cash-to-cash transfer services through money transfer businesses such as Western Union and MoneyGram, while estimates of remittances sent through banks range from five percent to 19 percent.

Through detailed profiles of 11 financial institutions, Appleseed’s guide illustrates six approaches to setting up remittance programs. The profiled financial institutions are: BankCherokee, Central Bank of Kansas, Citizens State Bank, First Bank, Harris Bank, Latino Community Credit Union, Mitchell Bank, Pinnacle Bank, United Americas Bank, U.S. Bank and Wells Fargo.

View the report at www.neappleseed.org.

Nebraska Appleseed, a nonprofit, nonpartisan public interest law project, is a national leader in addressing social problems facing vulnerable children without loving and permanent homes, low-income families working hard to make ends meet, and new immigrants seeking a better life. Nebraska Appleseed's current year action plan and description of its five program areas, significant litigation and policy reform successes, and broad-based accomplishments can be found at neappleseed.org.

Nebraska Appleseed is a part of the Appleseed network of independent state-based public interest law centers working to identify and address social injustices. The Appleseed network seeks to build a just society through education, legal advocacy, community activism and policy expertise by addressing root causes and producing practical, systemic solutions with broad implications. For more information visit appleseednetwork.org.

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