INTERACTIVE: What's the Banking Status in Your Area?

Interactive: FDIC's Household Use of Banking Services

While the majority of people in the U.S. have some kind of account with a bank, there are many that don't use banks at all! Use this interactive to find out how many households are unbanked in the country and your area.

Part I: Unbanked vs. Underbanked

1. **BEFORE** accessing the interactive, do a little research and answer the questions below.
   a. What does it mean to be **unbanked**?
   b. What does it mean to be **underbanked**?
2. **BEFORE** accessing the interactive, make a hypothesis: What percent of households do you think are unbanked in your state?

Part II: Regions in the Country

3. Open the interactive. Click on REGION underneath the map and **hover** over the different regions of the U.S. Use the 2023 data to answer the questions below.
   a. What percentage of households are unbanked in your region? Does this surprise you? Why or why not?
   b. How does your region compare to the other regions in the country?

Part III: States Around the Country

4. Now, **click** on STATE under the map.

5. **Hover** your mouse over the state of Washington in the Pacific Northwest region and move down to the state of California. Move your mouse back up to **hover** over Idaho and move your mouse down to Arizona. Continue doing this across the entire country, making your way from the West Coast to the East Coast and always starting from the northernmost state to the southernmost state. How does the percentage of **unbanked** households change as you move further south across the country?

6. What do you think explains the trend you observed?

7. Are there any states that are **major** exceptions to the overall trends you observed above?

Part IV: Consequences of Banking Status

Let's now take a look at the consequences of being unbanked by using data from the 2023 FDIC National Survey of Unbanked and Underbanked Households[1]. The images below show the percentage of households that use money order and check cashing services split by unbanked and banked households since 2013.

FIGURE ES.9 Use of Nonbank Money Orders by Bank Account Ownership, 2013–2023 (Percent)

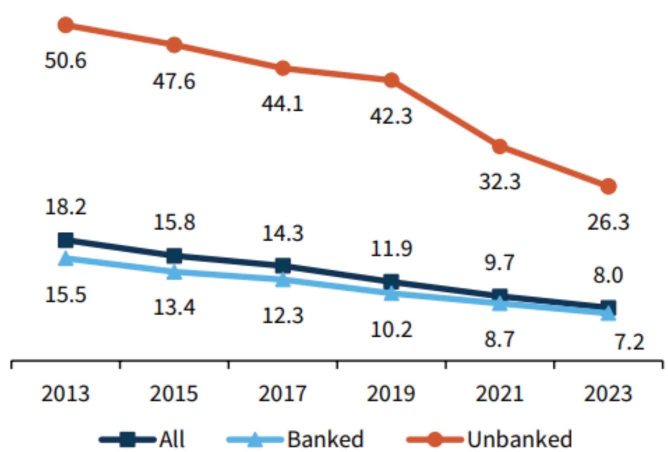
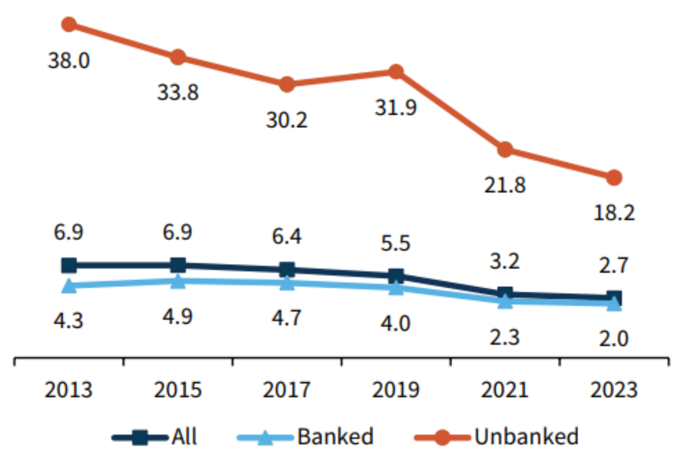


FIGURE ES.10 Use of Nonbank Check Cashing by Bank Account Ownership, 2013–2023 (Percent)

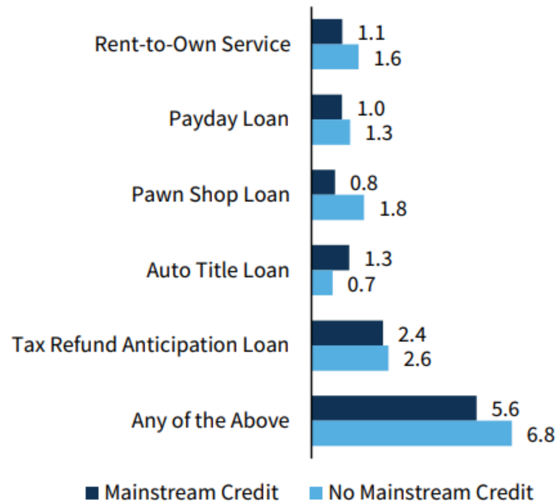


8. What trend exists in both money orders and check cashing from 2013 to 2023

9. Money orders and check cashing both involve fees. How might this affect unbanked and banked households differently?

[1]https://www.fdic.gov/household-survey/2023-fdic-national-survey-unbanked-and-underbanked-households-report

FIGURE 5.4 Use of Rent-to-Own Services and Payday, Pawn Shop, Auto Title, and Tax Refund Anticipation Loans by Use of Mainstream Credit, 2023 (Percent)



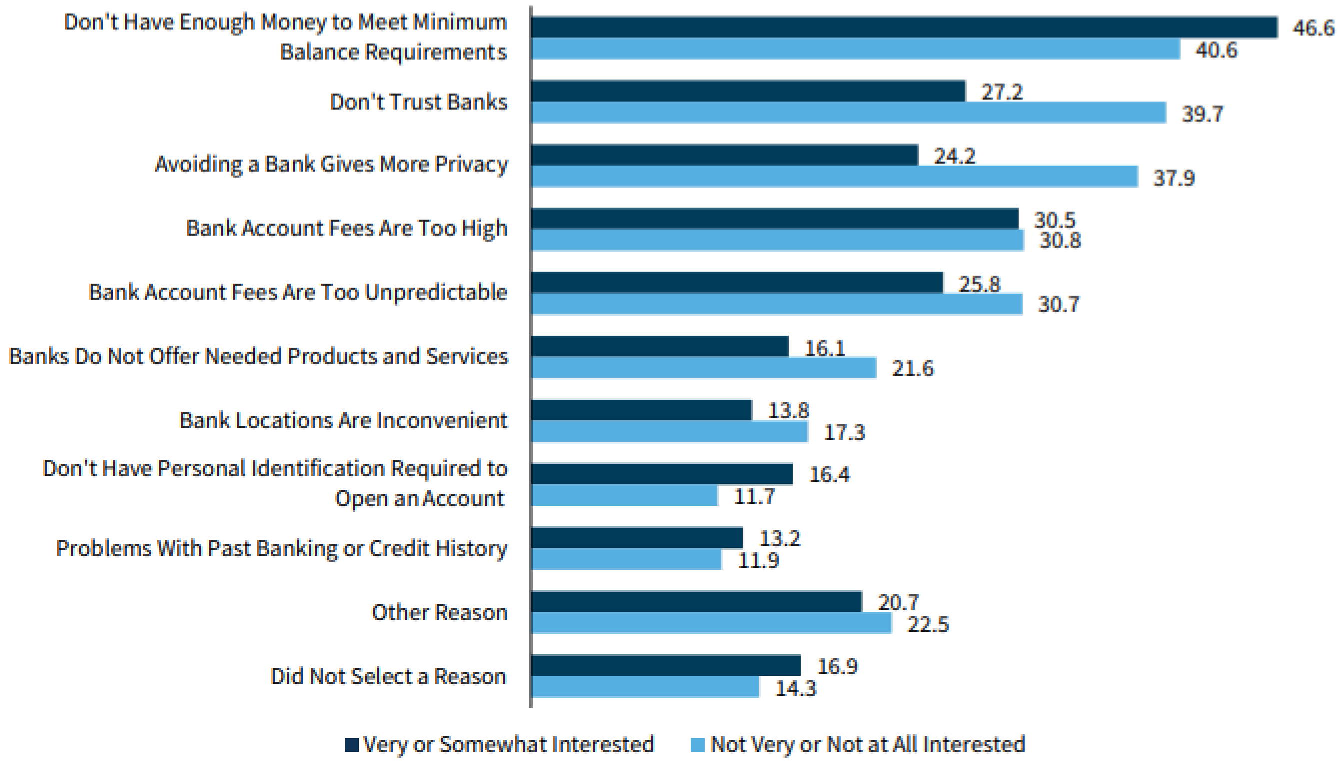
10. The chart above shows the different percentage of non-bank credit services for households that have access to mainstream credit and those that don't. Describe the overall trends you notice regarding non bank credit services.

11. What is often true about the interest rates of these non bank credit alternatives, and how might that affect the banked and unbanked differently?

Part V: Why Do Households Choose to be Unbanked?

The following graph shows the different reasons households may not have a bank account. Use the information to answer the following questions.

FIGURE ES.3 Unbanked Households' Cited Reasons for Not Having a Bank Account by Interest in Having a Bank Account, 2023 (Percent)



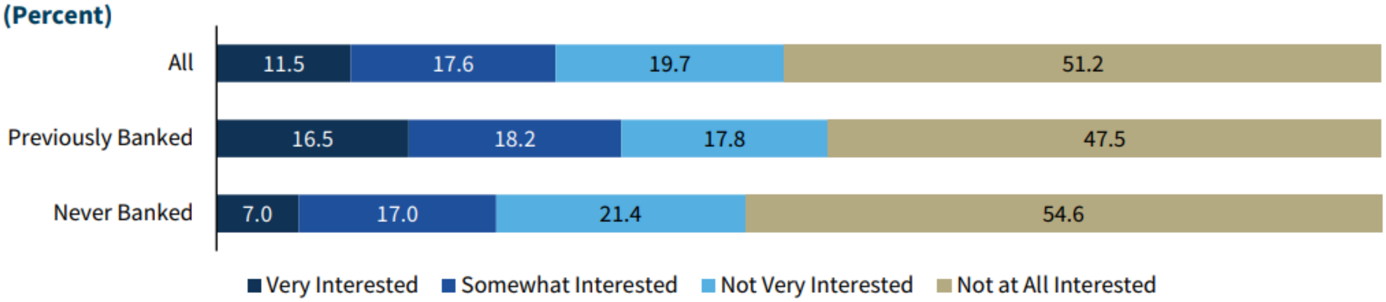
Note: Bars sum to more than 100 percent because households could select more than one reason for not having a bank account.

[5] The 2023 survey asked unbanked households how interested they were in having a bank account: very interested, somewhat interested, not very interested, or not at all interested. Three in ten unbanked households (29.1 percent) were very or somewhat interested in having an account, while 70.9 percent were not very or not at all interested.

12. What is the main reason unbanked households do not have a bank account?

13. Among unbanked households who are at least somewhat interested in having a bank account, 25.8% claim one reason for being unbanked is that account fees are unpredictable, while 30.5% say that account fees are too high. What types of fees do you think they are referring to and why can avoiding these types of fees be difficult?

FIGURE 1.7 Unbanked Households' Interest in Having a Bank Account by Previous Bank Account Ownership, 2023 (Percent)



14. The above chart shows the results of the question asked to households: “How interested are you in having a bank account?” Why do you think more **never banked** households are “not at all interested” in having an account over **previously banked** households?

15. Across all unbanked households, about 70.9% are “not very” or “not at all” interested in a bank account. Imagine you've been hired by a bank to help them 'capture' more customers on the local and state level where you live. How could the bank be more accommodating to these customers?