



# Post Offices as Banks

## What is the problem?

In 2017, half of Black and Latino households either didn't have a banking or checking account (unbanked) or still relied on alternative products (underbanked). In comparison, only 14% of White people were underbanked. ([FDIC, 2017](#))

And having a checking or savings account can be costly. Black and Hispanic account holders pay more per month in bank fees than White account holders. ([Bankrate, 2020](#))

**Proposal:** Post offices could expand banking access everywhere from the most remote and rural areas to cities and small towns. There are 31,000 post offices across the United States that could offer basic banking services like:

- check cashing,
- checking and savings accounts,
- small-dollar credit.

**History:** The United States had a Postal Savings System from 1911-1967 which in 1947 had \$3.4 billion in assets (more than \$35 billion in today's dollars) or about 10 percent of the entire commercial banking system. And worldwide, 1.5 billion people receive some financial services through their postal service.

## We welcome your thoughts on:

- What products and services should postal banks offer that would make a difference for people of color?
- What account features would attract and best serve communities of color? What interest rates should there be for small-dollar loans?
- Should postal banks be allowed to tailor their offerings based on the local communities they are serving?

## Resources:



- Check out the [Campaign for Postal Banking](#)
- The USPS Inspector General wrote a [white paper](#) in support
- This [factsheet](#) has an extensive background on postal banking.