

FINANCIAL INCLUSION FOR IMMIGRANT CONSUMERS

At over 50 million, Hispanics are the largest minority in the US and are posed to dramatically change the US demographics. Already the largest minority, with a purchasing power of near \$1.5 trillion, it's projected that by 2050 1 in 3 Americans will be Hispanic.

- With 45.8 million, US has largest immigrant population in the world
- Immigration is the largest factor contributing to population growth in the U.S. adding over 2.25 million people to the U.S. population annually
- With over 50 million, the U.S. has the second largest Latino population in the world after Mexico
- Latino children make up 23% of the 17 & under U.S. population (over 17 million). A 39% increase in 10 years
- 65% of U.S. Latinos are Millennials, ages 22 to 35

Today, some 40 million foreign-born immigrants call the U.S. their home, representing 13% of the total U.S. population, compared to 9.7 million in 1960. Unfortunately, immigrants also represent a large part of the 10 million households that the FDIC estimates are currently unbanked, accounting for 18.9% of all foreign-born-non-citizen households. Significant segments of the immigrant population remain unbanked or underbanked, unable to plug into the US financial system. This results in missed opportunity for asset building for individuals and families, as well as challenges in building collective wealth among significant portions of our communities.

Although it varies by nationality, first generation Hispanic immigrants are largely unbanked and tend to use high cost alternative financial service providers that don't offer a pathway to asset building that credit unions provide. 53% of Mexicans and 37% of other Latin American immigrants are unbanked, compared with 20% of immigrants from Asia and 17% from Europe.

The length of time spent in the United States, language barriers, legal status, and experience with financial institutions in their home countries are key factors. Lack of documentation is the most oft-cited reason why immigrants are discouraged from opening accounts.

With president Obama's recently announced Executive Order that provides immigration relief for more than 5 million undocumented immigrants, we face a historic opportunity to bring a sizable percentage of this population into the financial mainstream...through credit unions.

As financial cooperatives, locally owned and accountable to their members, credit unions can and should be one of the most effective platforms for financial inclusion efforts and community development.

Juntos Avanzamos National Workshop

September 13th, 2017 | St. Louis | Federation's 2017 Annual Conference

- 8:30am** **Welcome and Objectives**
- Pablo DeFilippi, SVP of Membership and Network Engagement, Federation
- 8:45am** **ITIN Lending: Financial Inclusion & Asset Building Opportunities for Immigrant Consumers**
- Purvi Patel, Executive Staff, Self-Help Federal Credit Union
 - Jack Baker, Director, Federation CDCU Mortgage Center
 - Discussing different best practices around ITIN Lending and how to build a successful loan program with immigrant members
- 9:30am** **Exploring the Market Opportunity: Community Partnership & Best Practices**
- Alejandra Seluja, CU Breakthrough Consultant
 - Raising awareness and outreaching to immigrant consumers through partners
 - Responding to the need of the community through products and services
- 10:00am** **Work In Progress: Juntos Avanzamos Consumer-Facing Website Update**
- Cameron Madill, CEO, Pixelspoke
 - Sharing an update on the development of the consumer-facing website and how it could be utilized by Juntos Avanzamos credit unions
- 10:30am** **Workshop Next Steps & Closing Remarks**

Partners

