

check is being cashed at a time. In addition, the bank is not risking anything by cashing a check drawn from their own customers account because they know prior to cashing exactly what funds are present in that customers account.

According to recent reports, those most likely to be affected by noncustomer check cashing fees are individuals without their own bank account, who go to banks to cash their paychecks. A study of the Survey of Consumer Finances found that more than half of the families without checking accounts are nonwhite or Hispanic, and 85% have incomes of less than \$25,000. The rising costs of having a bank account combined with the lack of access to a local bank and branch offices have made keeping an open bank account difficult for some families.

In an effort to increase profits, banks are constantly looking for other revenue sources. In addition to directing resources into checkcashing operations, banks are tapping into a new market of low income and minority consumers this time directly by charging checkcashing fees, even for checks drawn against their own customer's accounts.

These fees are simply taking people's hard earned money from them. Many people live paycheck to paycheck and need access to all of their funds in order to make ends meet. With banks charging fees for cashing their own checks, there is really no way for people to avoid fees, unless they become a customer of the bank. While banks have the right to gain customer base, they should not be permitted to do so by forcing citizens into corners, where they have no choice but to take a financial hit or become a bank customer.

The law on this issue should be updated to reflect current economic times. While citizens are struggling to pay for gas, electricity, food, and other necessities, banks are continuing to take advantage of those in difficult financial situations. The citizens of the State of Maryland who need to cash checks should not be forced into opening bank accounts in order to do so, nor should they be told by the bank teller that the banks own customers' checks cannot be cashed without the payment of a fee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That this Body urges the Honorable Chair and Members of the Baltimore City Delegation to the 2009 session of the Maryland General Assembly to introduce legislation that would stop banks from charging non-customer check cashing fees.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor, the Honorable Chair and Members of the Baltimore City Delegation to the 2009 Maryland General Assembly and the Mayor's Legislative Liaison to the Council.

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