

Overview of Basic Banking for Massachusetts

Basic Banking for Massachusetts was launched in 1994 to expand access to bank products and services to encourage those with modest income to establish banking relationships. Banks participating in Basic Banking for Massachusetts voluntarily provide low-cost checking and savings accounts that meet the guidelines below.

Basic Checking Account Guidelines

- Requires no more than \$25.00 to open the account.
- Charges a monthly fee of no more than \$3.00.
- Provides at least 15 free withdrawals, including at least eight (8) checks, per month.
- Charges no more than \$1.00 for each withdrawal over the allowable number of free withdrawals.

Basic Savings Account Guidelines

- Requires no more than \$10.00 to open the account.
- Charges no monthly fee on account balances of \$10.00 or more.
- Charges a monthly fee of no more than \$1.00.
- Pays interest on all account balances of \$10.00 or more.

Basic Banking accounts cannot be conditional, e.g. limited to those who open both a checking and savings account or to those with Direct Deposit. To help meet the goals of **Basic Banking for Massachusetts**, MCBC also recommends that participating banks adopt the following procedures:

- Under **Basic Banking for Massachusetts**, it is expected that participating banks will use their customary account opening guidelines. However, banks are strongly encouraged to exercise flexibility by accepting alternative forms of identification.
- Banks should fully disclose all services counted as a checking account withdrawal.
- It is expected that participating banks will use controls to assure that an applicant has not had prior difficulties with deposit account(s).
- Both the basic checking and savings accounts should only be closed for the same reasons that other accounts are closed.

Persons with a basic checking or savings account should not be limited exclusively to ATMs or any form of non-teller related services.

For more information, visit BasicBanking.org.

The Massachusetts Community & Banking Council (MCBC) was established in 1990 to bring together community organizations and financial institutions to affect positive change in the availability of credit and financial services across Massachusetts by encouraging community investment in low and moderate income and minority group neighborhoods and providing research, other information, assistance and direction in understanding and addressing the credit and financial needs of low and moderate income individuals and neighborhoods.