

# SOLVE THE PUZZLE

## GETTING SURVIVORS IN SHELTER BANKED

### I. INTRODUCTION

In 2010, the United Way of New York City launched a large-scale financial development integration initiative called Ready, Set, GreenLight. Alongside the New York City's Human Rights Administration's Office of Domestic Violence and Emergency Intervention Services, The Financial Clinic (the "Clinic") has been a proud partner to help achieve GreenLight's dual mission to (a) train domestic violence advocates at all levels of the domestic violence shelter system in financial development work and (b) provide consumer law legal services to domestic violence survivors ("survivors") associated with shelters. To date, the initiative has:

- ▶ Trained 257 advocates at 28 organizations from 66 different shelter and non-residential programs;
- ▶ Helped survivors eliminate more than \$90,000 of debt; and
- ▶ Provided "Know Your Rights" workshops to more than 150 survivors.

In the project's second year, the Clinic continues to provide introductory and advanced trainings to domestic violence shelter case workers, while also offering high-quality, free legal services to survivors. Capitalizing on the lessons learned from two years of training and direct advocacy, the Clinic has created a Field Report series to provide advocates with concrete strategies and tools to overcome the many barriers that survivors encounter on their path to financial security. This Field Report also sets forth several policy recommendations that local, state, and national decision makers should adopt to better protect the rights and the financial security of survivors.

## II. THE IMPORTANCE OF SAFE AND SECURE BANKING FOR SURVIVORS

With an estimated 40% of Americans unbanked or underbanked, there has been increasing recognition that financial security depends on financial access. Domestic violence survivors need access to their own safe and secure bank accounts. It is essential for survivors and their advocates to do everything in their power to ensure that survivors have a safe and secure bank account into which they can manage their tax refund. This table demonstrates how critical bank accounts are for survivors.

BANKING SUBSTITUTES	THE RISKS	SECURITY PROVIDED BY BANK ACCOUNT
Survivor receives large tax refund and stashes the money in “safe” places in her room at the shelter.	Survivors in shelter have reported that large sums of money have been stolen or have disappeared during the tax season.	Survivors can direct deposit their tax refund directly to their bank account. Direct deposits clear faster than paper checks (which tend to get lost in the mail) and the full amount of the refunds lands in the survivor’s without incurring additional fees.
Survivor goes to check casher to cash checks from employment and stashes the money in her room.	Keeping sums on money in the shelter is dangerous. Survivors pay hefty fees for each transaction at a checkcasher.	Survivors may have paychecks directly deposited into a safe account, will have access to a debit card, and will have no need to have large sums of money in their personal possession.
Survivor obtains a prepaid debit card.	While the debit card is certainly safer than hiding cash, the fees involved with the cards add up quickly.	SafeStart accounts in NYC offer low-fee banking options.

### A. COMMON BARRIERS TO OPENING UP ACCOUNTS

Many domestic violence survivors struggle with unique barriers that prevent them from easily opening up or securing their existing bank accounts. The table explains some basic strategies to address the most common obstacles that survivors and their advocates face in opening up new bank accounts and securing existing accounts.

BARRIER	SOLUTION
Survivor can’t open a bank account because the only address she can use is her shelter PO Box.	Use the <a href="#">Documenting Physical Address to Open Bank Account Letter Template</a>
Survivor lacks the documents necessary to open an account because those documents have been lost or stolen.	Use the <a href="#">HOW TO REPLACE LOST DOCUMENTS</a> TipSheet to help the survivor begin the process or replacing the documents. Opening an account requires government-issued photo ID and proof of address. <sup>2</sup>
Survivor has a joint account with abuser and is married.	The survivor should consult immediately with a family law attorney to determine her rights and obligations in accessing the funds in the joint account. <sup>3</sup>
Survivor has a joint account and is not married to the abuser.	Whoever gets the money first gets to keep it. The survivor, in consideration of safety planning concerns, should take steps to withdraw the appropriate funds as soon as possible. <sup>4</sup>
Abuser has or may have access to survivor’s individual account.	Withdraw all funds. Close account and open an account at another bank.

### III. KEY STUMBLING BLOCK—SECURING BANK ACCOUNTS FOR SURVIVORS WHO LACK A PHYSICAL ADDRESS

The Financial Clinic has learned from the on-the-ground work of advocates that many survivors have been unable to open up bank accounts because they cannot provide banks with a physical address. In fact, one shelter director indicated that over 90% of residents can't open up bank accounts either because of lack of documents or inability to provide a physical address. The physical address requirement is imposed by the Treasury Department as part of the USA Patriot Act, designed to combat terrorism, and is seemingly unavoidable. The Financial Clinic proposes several solutions to help survivors overcome this initial obstacle and place them on the path to financial security.

#### A. LEGAL ROADBLOCKS

Federal regulations require all financial institutions to establish their own customer identification programs (CIP). At a minimum, a bank's CIP must collect proof of identity, a mailing address, and a physical residential address from all customers who want to open a bank account. [31 CFR 103.121](#). These provisions, passed as part of the USA PATRIOT ACT, were implemented to prevent terrorists from holding contraband funds in the United States. Unfortunately, the practical application of these rules also prevents survivors of domestic violence from opening much-needed bank accounts.

New York City's domestic violence shelter residents can generally produce a valid form of identification as well as a mailing address (most shelters provide a P.O. Box for their residents' use). What they have trouble providing is a residential, physical address. As in most cities, the domestic violence shelters in New York are in confidential locations for safety reasons. Keeping the site of the shelter location confidential is imperative to maintaining the safety of all of its residents and staff. As a result, shelter residents are forbidden from providing their physical addresses to any person or institution, even major banks. Because many of them also lack a business address, or cannot use the physical address of a next of kin to comply with banks' CIP, they are prohibited from opening safe, reliable bank accounts at mainstream financial institutions in New York City.

#### B. OPENING VP BANK ACCOUNTS ROADMAP

Since each bank has its own CIP, the application of the federal regulations requiring the provision of a residential address is not uniform. Therefore, advocates and survivors should confer with the individual bank branch managers to find out what information is needed to open up a bank account.

**STEP 1:** Contact branch managers to find out from banks exactly what they want before sending shelter residents to open accounts

**STEP 2:** Explore with shelter residents whether they can use the physical address of their employer, relative, friend, or other contact person for the sole purpose of fulfilling the banks' physical address requirement.

**STEP 3:** If (2) is not a possibility, allow shelter residents to use the shelter business address for the sole purpose of fulfilling the banks' physical address requirement.

**STEP 4:** If neither (2) nor (3) are possible, as of June 23, 2012, New York will have an Address Confidentiality Program, which should resolve these address issues in a more systematic fashion, but banks will likely adapt slowly to the new legal regime.

#### **ON THE GROUND TIP: DEVELOP A RELATIONSHIP WITH A LOCAL BANK**

Establishing a friendly rapport with a local bank or a local bank branch may help survivors tremendously. One shelter reports that it built a relationship with a local bank that prompted the bank to develop streamlined procedures so that for shelter residents could more easily open up accounts. The bank has even come to the shelter to present on safe, affordable banking options for residents.

## **IV. RECENT LEGISLATIVE CHANGES**

The Clinic applauds the recent enactment of Executive Law § 108, which establishes a “confidential address” program (“ACP”) that allows survivors of domestic violence to apply for a substitute address with the Office of the Secretary of State effective June 23, 2012. Approved applicants should be able to use this address to receive mail, as well as when applying for licenses, accessing benefits, and interacting with local and state government agencies in general.

The New York Secretary of State is charged with promulgating rules and regulations to implement the ACP, which will likely mirror the regimes established in the 30 other states with similar programs for survivors. In these programs, applicants receive an address that hides their actual location to which mail may be sent. The mail received at this address is forwarded (usually by the Secretary of State for the state administering the program) to the survivor at her physical location. Participants in ACPs generally receive a card from the Secretary of State signaling that they are enrolled in the program; this card may be presented to any government agency and should be accepted as proof of a physical, residential address.<sup>5</sup>

**Policy Recommendation:** While the Clinic applauds the legislature for passing this important law and urges the Secretary of State to consider the following issues when promulgating the rules and regulations for the ACP:

1. Specify that ACP-generated addresses are sufficient to comply with bank CIPs. There should be no question that the ACP addresses would suffice. In 2009, the Financial Crime Enforcement Network, a bureau of the Treasury Department, issued guidance in the interests of justice and in compliance with the ACP programs, encouraging financial institutions “[to] collect the street address of the ACP sponsoring agency for the purposes of meeting the CIP requirement.”<sup>6</sup>
2. Provide a secure, online application for the ACP that is accessible at designated agencies.
3. Allow residents to update their contact information, when necessary, online to prevent mail from being forwarded to outdated addresses.
4. Facilitate ACP enrollment by training domestic violence advocates in the enrollment process.
4. Designate an Ombudsman in the Office of the Secretary of State who domestic violence advocates may contact directly they encounter problems enrolling survivors in the ACP.
5. Permit ACP applicants to avoid disclosing the address that they hope to shield when enrolling in the ACP.

Once the ACP is operational, the Clinic recommends that all survivors living in shelter who want to open bank accounts enroll in the program. With their confidential addresses in hand, survivors should apply for bank accounts with relative ease. Any financial institutions that refuse to accept a confidential address for CIP purposes should be given a copy of the Financial Enforcement Network memorandum, specifying that an ACP address is sufficient to establish the identity of a bank account applicant. The Financial Clinic will also provide survivors living in shelter with a letter to bring to banks when trying to open an account to help facilitate the process. Survivors in shelter who do not want to wait until the ACP is implemented to open bank accounts should try to identify a friend/relative with a physical address that they may use to open an account, or ask their shelter advocate if they may use the shelter's business address for CIP purposes.

## V. CONCLUSION

Opening a bank account is integral to establishing financial security after fleeing an abusive relationship. New York's financial institutions are in a position to help survivors of domestic violence on their journey toward financial security by allowing them to open up bank accounts without disclosing their physical location. As pioneers in the integration of financial development services and domestic violence advocacy, The Financial Clinic urges all banks and credit unions in New York to work with survivors and their advocates to develop safe procedures that comply with federal regulation and provide survivors of domestic violence the chance to reclaim their financial and emotional independence.

## NOTES

<sup>1</sup> <http://www.theshriverbrief.org/2011/10/articles/asset-opportunity/legitimizing-the-fringe-financial-market/>

<sup>2</sup> In 2010, the Clinic developed a specialized ToolKit for survivors of domestic violence that are part of New York City's shelter system. Recognizing that many survivors lose critical documents in fleeing from their abusers, we created an entire section of the ToolKit devoted to giving survivors and their case managers tools and strategies for replacing lost documents. Generally, to replace a lost document, one must contact the agency that issued the document, provide proof of identity to that agency, and sometimes pay a fee.

<sup>3</sup> This solution must only be read to apply under the laws of the state of New York.

<sup>4</sup> This solution must only be read to apply under the laws of the state of New York.

<sup>5</sup> [http://en.wikipedia.org/wiki/Address\\_confidentiality\\_program](http://en.wikipedia.org/wiki/Address_confidentiality_program)

<sup>6</sup> *Id.*

# HOW TO REPLACE LOST DOCUMENTS

Documents are an important part of all of our lives, particularly as you start fresh. Replacing these documents will prove to be invaluable. Use the Documents CheckList to begin. Remember, priority should be given to those documents required to obtain employment and to get benefits for you and your family. For more information about what you will need to obtain these documents, contact the appropriate agency. Don't forget to request address change forms so all future mail can be redirected. Now is the time to get organized and take control!

IDENTIFICATION	CONTACT INFORMATION	FORM	FEES
Birth, Death, Marriage, Divorce Records <i>(Directory of states)</i>	Center for Disease Control and Prevention 1-800-CDC-INFO • <a href="http://www.cdc.gov/nchs/w2w.htm">www.cdc.gov/nchs/w2w.htm</a>	Request	Vary by state
Birth and Death Records <i>(NYC)</i>	NYC Department of Health, Office of Vital Records call 311 • <a href="http://www.NYC.gov/health">www.NYC.gov/health</a>	Request	\$15 + S&H
Citizenship and Naturalization Papers	Bureau of Citizenship and Immigration Services 1-800-870-3676 • <a href="http://www.uscis.gov/n-565">www.uscis.gov/n-565</a>	N-565	\$380
Court Papers	Contact or visit the court where papers were filed.	Copies	Vary
Credit Cards	Mastercard 1-800-MasterCard • <a href="http://www.mastercard.com/us/personal/en/learningcenter/stayingsecure/stolencards.html">www.mastercard.com/us/personal/en/learningcenter/stayingsecure/stolencards.html</a> Visa 1-800-VISA-911 • <a href="http://usa.visa.com/personal/cards/benefits/bft_lost_stolen.html">http://usa.visa.com/personal/cards/benefits/bft_lost_stolen.html</a> Discover 1-800-347-2683 • <a href="http://www.discovercard.com/customer-service/fraud/lost-stolen.html">www.discovercard.com/customer-service/fraud/lost-stolen.html</a>	Request	Free
Divorce Records <i>(NYC)</i>	NYC Department of Health call 311 • <a href="http://www.health.state.ny.us/vital_records/divorce.htm">www.health.state.ny.us/vital_records/divorce.htm</a>	Request	\$30
Employer Records	Contact employers to get copies of employment forms.	W-2	Vary
Identity Theft	Federal Trade Commission 1-877-438-4338 • <a href="http://www.ftc.gov/idtheft">www.ftc.gov/idtheft</a> Credit Reporting Agencies: (1) Equifax 1-800-525-6285 • <a href="http://www.fraudalerts.equifax.com">www.fraudalerts.equifax.com</a> (2) Experian 1-888-397-3742 • <a href="http://www.experian.com/fraud">www.experian.com/fraud</a> (3) TransUnion 1-800-680-7289 • <a href="http://www.transunion.com/corporate/personal/fraudIdentityTheft/fraudPrevention/fraudAlert.page">www.transunion.com/corporate/personal/fraudIdentityTheft/fraudPrevention/fraudAlert.page</a> IRS Identity Protection Specialized Unit 1-800-908-4490 • <a href="http://www.irs.gov">www.irs.gov</a> (keyword "identity theft")	FTC ID Theft Affidavit Fraud Alert IRS-14039	Free
Marriage Records <i>(NYC)</i>	Office of the City Clerk, Marriage Bureau 212-669-8090 • <a href="http://www.cityclerk.nyc.gov/html/marriage/records.shtml">www.cityclerk.nyc.gov/html/marriage/records.shtml</a>	Request	\$15 to \$35
Medical Records	Contact your doctor's office for copies of medical records.	Copies	Vary
Passport	National Passport Information Center 1-877-487-2778 • <a href="http://travel.state.gov/passport/lost/lost_849.html">http://travel.state.gov/passport/lost/lost_849.html</a>	DS-64 & DS-11	\$100
School Records	Contact the academic institution or school district to obtain relevant school records or necessary diplomas.	Request	Vary
Social Security Card	Social Security Administration 1-800-772-1213 • <a href="http://www.socialsecurity.gov">www.socialsecurity.gov</a>	SS-5	Free
State ID (Driver's license, Non-Photo ID)	Department of Motor Vehicles 1-212-645-5550, 1-718-966-6155 • <a href="http://www.nydmv.state.ny.us/forms/mv44.pdf">www.nydmv.state.ny.us/forms/mv44.pdf</a> <i>*If state ID was lost or stolen because of a crime get form MV-78B from a police agency.</i>	MV-44, MV-78B (no fee)	\$15
Tax Return (Federal)	Internal Revenue Service 1-800-829-1040 • <a href="http://www.irs.gov/pub/irs-pdf/f4506t.pdf">www.irs.gov/pub/irs-pdf/f4506t.pdf</a> <i>*Also check with tax preparer</i>	4506-T	Free
Tax Return (State)	NYS Department of Taxation and Finance 1-800-225-5829 • <a href="http://www.tax.state.ny.us/pdf/2005/fillin/misc/tr152_505_fill_in.pdf">www.tax.state.ny.us/pdf/2005/fillin/misc/tr152_505_fill_in.pdf</a> <i>*Also check with tax preparer</i>	TR-152	\$.25/ page
Other Vitals	Office of Citizen Services and Communications 1-800-FED-INFO • <a href="http://www.usa.gov/Citizen/Topics/Family_Issues/Vital_Docs.shtml">www.usa.gov/Citizen/Topics/Family_Issues/Vital_Docs.shtml</a> <i>*How to obtain copies of bank statements, Medicare card, military service record, etc.</i>		



October 4, 2011

To whom it may concern:

This letter is to certify that Jane Doe is participating in financial development work with Jeffrey Garofano, a Financial Coach at our organization. As evidenced by the attached residency letter, Ms. Doe is a resident at Dove House Shelter and her mailing address is PO Box 111, Brooklyn NY, 11111. Ms. Doe is very eager to open an account at your branch because she has no bank account and her shelter is not a safe place to keep money. Please note that the physical address of Ms. Doe's shelter is confidential. Under the rules of her shelter, the physical address may not be disclosed. Please use the physical address of The Financial Clinic (The Financial Clinic, 115 West 30th St, Suite 702, New York NY 10001) and Ms. Doe's PO Box address as her mailing address to allow her to open an account at your branch. Under the federal regulations that require banks to develop Customer Information Programs (31 C.F.R. 103.121), banks may use the "business street address of next of kin or of another contact individual" for customers that do not have a physical address. Thank you in advance for allowing Ms. Doe to open an account at your branch using her PO Box as her mailing address and Mr. Garofano's business address as the physical address for CIP purposes. Please do not hesitate to contact me if you have any questions or concerns.

Sincerely yours,

Jonathan Fox  
Staff Attorney

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