

Where Are the Unbanked in NYC?

Updated Findings (2019 Data)

Every two years, the Department of Consumer and Worker Protection (DCWP) estimates the unbanked in NYC. This sheet includes updated findings for 2019.¹

Findings

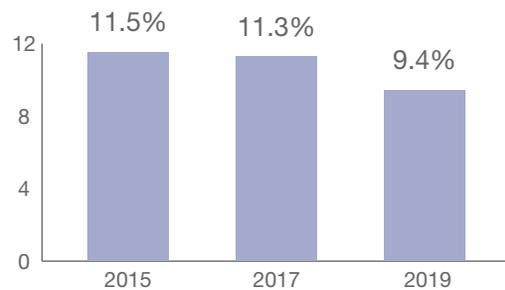
1. In NYC, 9.4% of households have no bank account (unbanked).

- Approximately 301,700 NYC households were unbanked in 2019.
- NYC households are considerably more likely than households nationally to be unbanked: 9.4% versus 5.4%.²
- Bronx households have greater unbanked rates (2x greater) than the citywide rates.
- Compared to 2015 and 2017, the share of households who are unbanked went down slightly in 2019: 9.4% compared to 11.5% and 11.3%, respectively.

Estimated Unbanked Households by Borough

Borough	# of Households	% of Households
The Bronx	91,200	17.7%
Brooklyn	93,100	9.5%
Manhattan	60,000	7.8%
Queens	49,600	6.3%
Staten Island	7,700	4.7%
NYC	301,700	9.4%

Share of NYC Households Who Are Unbanked, 2015-2019

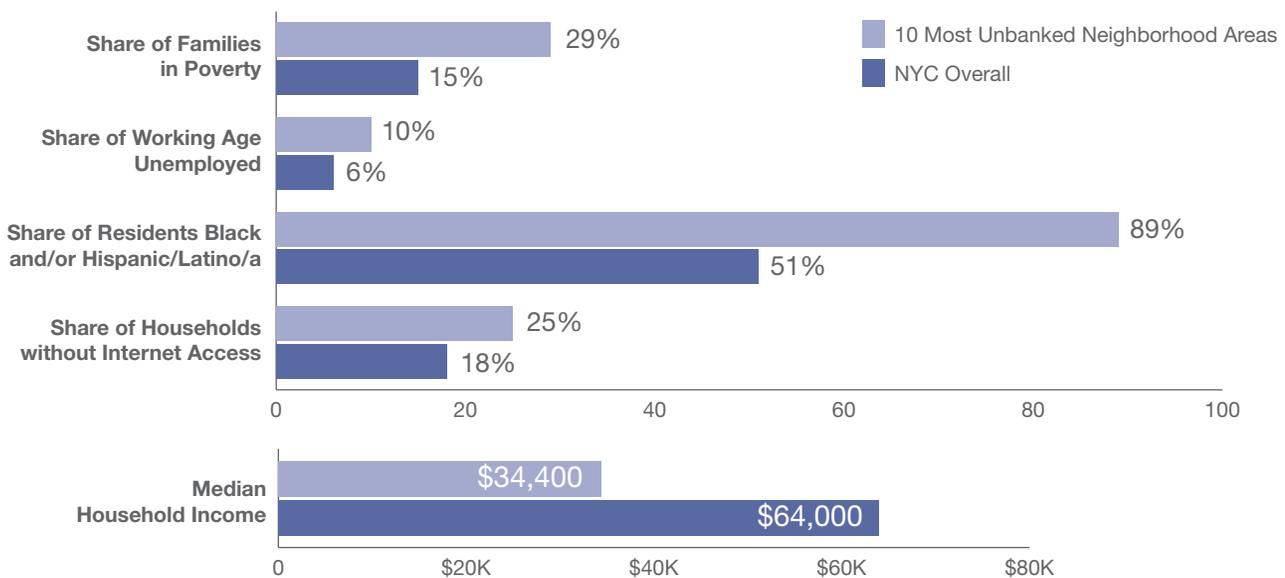


Note: All totals rounded to the nearest hundred. Due to rounding, the sum of Borough numbers does not match precisely the total for NYC.

2. NYC's unbanked households are highly concentrated in neighborhoods that have higher rates of vulnerable³ residents and households lacking access to the internet.

- Ten NYC neighborhoods account for nearly 37% of unbanked households.⁴
- Residents of these 10 neighborhoods are in poverty at higher rates; have higher rates of unemployment; are predominantly Black and/or Hispanic/Latino/a; and have a lower median household income compared to the city as a whole.
- Residents of these 10 neighborhoods are less likely to have access to the internet, including mobile internet access: 25% compared to 18% of all NYC households.

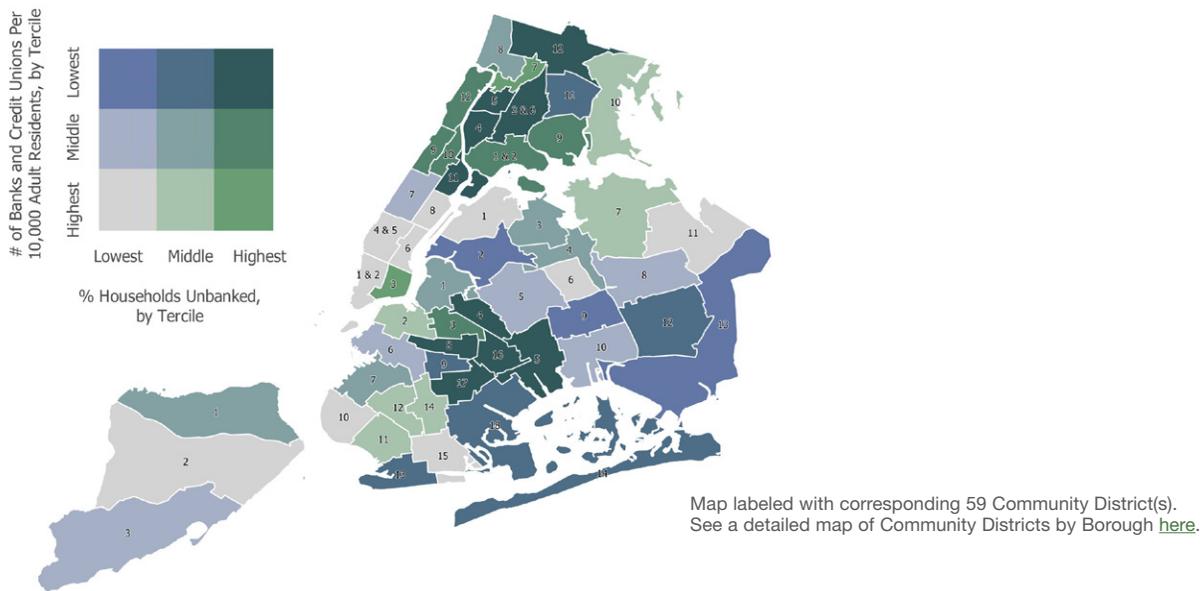
Characteristics of the 10 Most Unbanked Neighborhood Areas Compared to NYC Overall



3. Neighborhoods with the lowest access to brick-and-mortar bank branches also have the highest rates of unbanked households.

- Of the bottom third of neighborhoods in terms of bank access (fewer than 1.2 banks per 10,000 adult residents), over half (10) rank in the top third of neighborhoods in terms of the share of households who are unbanked (greater than 10.9% unbanked).
- Of the top third of neighborhoods in terms of bank access (greater than 2.6 banks per 10,000 adult residents), over half (10) rank in the bottom third of neighborhoods in terms of the share of households who are unbanked (less than 6.2% unbanked).

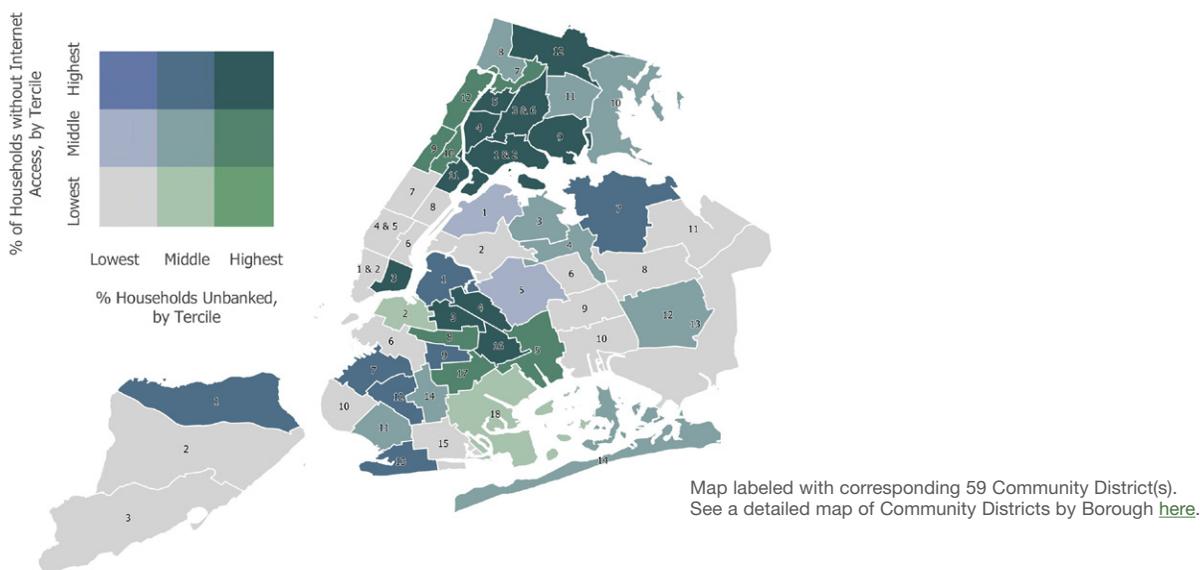
Share of Households Who Are Unbanked and Neighborhood Area Access to Banks and Credit Unions



4. Neighborhoods with the highest share of households without internet access also have the highest rates of unbanked households.

- Of the top third of neighborhoods in terms of the share of households who lack internet access (greater than 21.2% of households lack internet access), over half (11) rank in the top third of neighborhoods in terms of the share of households who are unbanked (greater than 10.9% unbanked).
- Of the bottom third of neighborhoods in terms of the share of households who lack internet access (less than 15% of households lack internet access), nearly all (17) rank in the bottom third of neighborhoods in terms of the share of households who are unbanked (less than 6.2% unbanked).

Share of Households Who Are Unbanked and Share of Neighborhood Area Households without Internet Access



Data Sources

- In 2015, DCWP commissioned the brief, *Where Are the Unbanked and Underbanked in New York City*. The 2015 brief used data from the 2013 FDIC National Survey of Unbanked and Underbanked Households. Unbanked rates for 2017 were estimates generated from a prediction model developed by Urban Institute. Unbanked rates for 2019 are estimates generated from a prediction similar to the model developed by Urban Institute. See [data set](#).
- Neighborhood socioeconomic demographics are population weighted estimates using PUMA-level data from U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.
- Bank data is from Federal Deposit Insurance Corporation (FDIC) Suite: API for Data Miners & Developers as of June 11, 2021.
- Credit Union data is from NCUA Federally Insured Credit Unions Q1 2021 as of June 11, 2021.
- Bank locations derived from a combination of geocoded locations and ZIP code crosswalking.⁵

¹ In keeping with the FDIC Survey of Household Use of Banking and Financial Services, DCWP will no longer report estimates of underbanked NYC households. Due to updated methodology, DCWP revised the 2017 estimate of unbanked NYC households.

² National rates sourced from <https://www.fdic.gov/analysis/household-survey/2019execsum.pdf>.

³ In general, residents are categorized as *vulnerable* if, due to their demographics, they are more likely to be taken advantage of and/or experience adverse effects to their financial health. For example, residents with low incomes, high levels of debt distress, unemployment, etc. Also, certain racial and ethnic groups are vulnerable because of systemic patterns of oppression and racism that greatly harm financial health.

⁴ Neighborhoods include: *In The Bronx*: Bedford Park, Fordham North, and Norwood; Belmont, Crotona Park East, and East Tremont; Castle Hill, Clason Point, and Parkchester; Concourse, Highbridge, and Mount Eden; Hunts Point, Longwood, and Melrose; Morris Heights, Fordham South, and Mount Hope; *In Brooklyn*: Brownsville and Ocean Hill; East New York and Starrett City; *In Manhattan*: Central Harlem; East Harlem.

⁵ For data that arrived in a geography that did not suit, we “crosswalked,” a formula that allowed the data to translate across to another geography.