

Texas Department of Banking

Press Release

Finance Commission Releases Study on Consumer Depository and Cash Services

Date: January 15, 1999

The Finance Commission's study on Consumer Depository and Cash Services in Texas is being released to the public today. The Finance Commission is required to study the availability, quality, and pricing of lending and depository services to consumers, agricultural businesses and small businesses in Texas. Because of the breadth and cost of this mandate, the Finance Commission chose to study the quality, availability and pricing of depository and cash services to consumers in Texas, as the first of several studies.

The results of this initial study were based upon approximately 2,000 telephone and face-to-face interviews with consumers in eight distinct locations around the State.

Chairman W. D. Hilton, Jr. said, "While we recognize that the study's findings may not be universally accepted or endorsed, the study results indicate that a wide array of financial services is available to all Texans in the areas studied. It appears that race, gender and geographic characteristics are not the determining factors in the availability or pricing of depository and cash services to consumers in Texas. Income, however, appears to be the most prevalent determinant of usage decisions, which in turn, drives the cost of depository and cash services to consumers."

The study concludes that education of consumers is needed, because education, as a strong determinant of income potential, could increase the number of Texans who would be able to avail themselves of the widest array of financial services. Specifically, personal financial management education would be of assistance in giving consumers better knowledge of their own financial situation, and the confidence to seek the most cost-effective services to meet their needs.

An Executive Summary of the study, as well as the full study and accompanying appendix, may be accessed through the "What's New" button on the Texas Department of Banking's website located at www.banking.state.tx.us.