

BY THE NUMBERS:

PAPER CHECKS VS PAYROLL CARDS

PAPER CHECKS

AMERICANS WITHOUT BANK ACCOUNTS PAY

\$8 BILLION
EACH YEAR

AT CHECK CASHING OUTLETS, PAYDAY LENDERS AND BILL PAY CENTERS¹

EMPLOYEES PAY

UP TO 3%



TO CASH THEIR PAYROLL CHECKS WITH A CHECK CASHER²

SOMEONE EARNING

\$26,000 A YEAR WOULD SPEND APPROX

\$750 IN CHECK-CASHING & MONEY ORDER FEES TO PAY THEIR BILLS²

PAYROLL CARDS

ANNUAL AVERAGE COST INCURRED BY EMPLOYEES WHO USE PAYROLL CARDS

\$83

VERSUS

\$256

AVERAGE COST OF USING CHECK CASHING & MONEY ORDER SERVICES

VERSUS

AVERAGE COST OF A BASIC CHECKING ACCOUNT³

\$273

\$0

AMOUNT MANY EMPLOYEES WHO USE PAYROLL CARDS PAY IN FEES

PAYROLL CARDS CAN BE USED LIKE A PAYCHECK AND CASHED FOR FREE⁴

THE FEDERAL RESERVE NOTED THAT PAYROLL CARDS ARE THE MOST COST-EFFECTIVE TRANSACTION ACCOUNTS AVAILABLE



1. M. Fellowes, M. Mabanta. "Banking on Wealth: America's New Retail Banking Infrastructure and Its Wealth-Building Potential." Brookings Institution. 2008. http://www.brookings.edu/~media/research/files/reports/2008/1/banking%20fellowes/01_banking_fellowes.pdf

2. "2010 Report On Check Casher And Basic Banking Fees." Massachusetts Division of Banks. 2010. <http://www.mass.gov/ocabr/docs/dob/checkcashreport2010.pdf>

3. M. Flores, "Analysis of Network Branded Pay Cards: Comparative Analysis of Pay Cards to other Payment Options." Bretton Woods, Inc. 2011. <http://bretton-woods.com/media/51f57d9869e66aa1fff8159fffd502.pdf>

4. Wilschusen, R. Hunt, J. van Opstal, and R. Schneider, "Consumers' Use of Prepaid Cards: A Transaction-Based Analysis." FRB of Philadelphia Payment Cards Center. 2012. <http://www.philadelphiafed.org/consumer-credit-and-payments/payment-cards-center/publications/discussion-papers/2012/D-2012-August-Prepaid.pdf>

5. "Subcommittee Works to Clear up Muddled Message on Paycards" by William Dunn, CPP, APA Paycard Sub-committee, May 2009. http://www.americanpayroll.org/pdfs/vendors/apa_working_to_clear_muddled_paycard_message.pdf