

**REMARKS OF THE HONORABLE RUBEN HINOJOSA
HOUSE COMMITTEE ON FINANCIAL SERVICES
HEARING ON FINANCIAL LITERACY
APRIL 15, 2008**

Chairman Frank, Ranking Member Bachus, I want to express my sincere appreciation for you holding this important and timely hearing today on financial literacy. This Committee has held two or three hearings on financial literacy in the past, and I look forward to working with the Chairman on additional hearings on financial literacy either later this year or sometime in the 111th Congress.

Throughout my political career, I have been dedicated to moving my constituents away from payday lenders, predatory lenders and check cashers and into such mainstream financial entities as banks, credit unions and other financial institutions.

It is my hope that by moving them into the financial mainstream, my constituents and others in the United States will be able to open checking and savings accounts, establish credit and eventually realize the American dream of homeownership. One of the ways I work toward this goal is through financial literacy, and a collaboration with the private and public sectors.

Over the past six years, I have worked closely with my good friend and colleague Congresswoman Judy Biggert, to shed light on the need for improved financial literacy rates in the United States. In 2005, Congresswoman Biggert and I co-founded and currently co-chair the Financial and Economic Literacy Caucus. At present, 79 Members of Congress have joined and participate in this Caucus.

Establishing good spending and savings habits early on is crucial, which is why we need to work more closely with the Department of Education, the federal government and states and localities to supply our students with teachers who can teach not only theoretical economics but also pragmatic financial literacy, such as how and why to open a checking and savings account; pay bills on time; obtain a free copy of their credit report; and establish good financial planning habits.

We also need a streamlined way to provide financial literacy education to adults.

Chairman Frank, our government should lead by example. It should coordinate and communicate a unified message on financial literacy and help us establish a national strategy, which, according to the GAO, the Financial Literacy Education Commission, failed to do.

We should authorize and appropriate such funds as necessary to create a broad-based public awareness campaign. FLEC has failed to produce a multimedia campaign as required in Title V of the FACT Act despite having had four years to do so.

I am very proud that Texas is one of the few states that requires some form of financial literacy for graduation from high school as well as permits its residents to impose credit freezes.

Mr. Chairman, I look forward to hearing from our witnesses here today, and hope to coordinate and collaborate with them on financial literacy events and ideas in the future.

At this point, I ask unanimous consent to enter into today's record the following:

- A copy of Jump\$tart's joint press release with Chairman Bernanke;
- A copy of Charles Schwab's "Parents & Money" survey;
- The Executive Summary of the Employee Benefit Research Institute's Retirement Confidence Survey;
- Testimony of the American Financial Service Association Education Foundation;
- Statement of Richard Woods of Capital One;
- Statement of Consumer Action;
- Comments from the Networks Financial Institute;
- Statement of the North American Securities Administrators Association
- Statement of the Consumer Bankers Association;
- Statement of the National Association of Federal Credit Unions;
- Testimony of the American Institute of Certified Public Accountants;
- The 2007 National Council of Economic Education's Survey;
- Comments from the National Youth Involvement Board
- Press Releases from the FDIC;
- The GAO Report on the Financial Literacy and Education Commission;
- H.Res. 1079, Recognizing the Goals and Ideals of Financial Literacy Month; and,
- Testimony from the American Bankers Association