

**OPENING STATEMENT OF CHAIRMAN SPENCER
BACHUS
SUBCOMMITTEE ON FINANCIAL INSTITUTIONS
AND CONSUMER CREDIT
“IMPROVING FINANCIAL LITERACY: WORKING
TOGETHER TO DEVELOP PRIVATE SECTOR
COORDINATION AND SOLUTIONS”
SEPTEMBER 28, 2006**

Good morning. Today’s hearing, which was requested by Mrs. Biggert, will focus on the efforts of the private sector to increase financial literacy in their communities and the role the federal government can play in highlighting and coordinating those efforts. As co-chair of the Financial Literacy Caucus with Mr. Hinojosa, Mrs. Biggert has worked tirelessly on financial literacy issues, and I want to thank her and her staff for their work on this hearing.

While a basic understanding of checking and savings accounts was all that was needed twenty-five years ago, most Americans now need to be knowledgeable about credit cards, mortgage products, retirement and investment plans. Our Committee recognized the important role of financial literacy by including a financial literacy component in legislation from Sarbanes-Oxley to the Fair and Accurate Credit Transactions Act, known as the FACT Act. Title V of the FACT Act established the Financial Literacy and Education Commission with the purpose of improving financial literacy and education. The FACT Act also

mandated that the General Accountability Office (GAO) report on recommendations for improving financial literacy among consumers. GAO will be releasing their recommendations sometime later this year. We look forward to their insight.

As co-chairs of the Financial Literacy Caucus, Mrs. Biggert and Mr. Hinojosa have taken a lead on numerous financial literacy initiatives. The Caucus, which has about 80 Members including me, has hosted roundtables and trade fairs highlighting successful programs nationwide. For the past three years, Mrs. Biggert and Mr. Hinojosa have sponsored a resolution recognizing the importance of April as financial literacy awareness month. This week, the House passed H. Res. 973, authored by Mr. Hinojosa and Mrs. Biggert, recognizing this week as Financial Planning Week. Mrs. Biggert and Mr. Hinojosa are to be commended for their steadfast commitment to financial literacy. Their work has had an enormous impact on educating Members of Congress, their staffs and the American public about the importance of understanding financial transactions.

Many of the organizations testifying today have created unique ways to educate consumers on financial opportunities. Their efforts are admirable and I look forward to their testimony today.

I am now pleased to recognize the Ranking Member, Mr. Sanders, for any opening statement that he would like to make.