

Opening Remarks

Congresswoman Maxine Waters D-35th CA

Hearing, “Improving Financial Literacy: Working Together to Develop Private Sector Coordination and Solutions”

September 28, 2006

Good Morning. Ladies and gentlemen. I want to congratulate Mr. Baucus, the Chair of the Subcommittee on Financial Institutions and Consumer Credit for holding today’s hearing. This hearing is timely because House Resolution 737 passed the House with nearly 100 co-sponsors. I cosponsored H. Res. 737, which was introduced by Ms. Biggert. The Resolution overwhelmingly passed the House in April of 2006. Many Members of the

Committee on Financial Services co-sponsored the bill as well.

H. Res. 737 established that “financial literacy is essential to ensure that individuals are prepared to manage money, credit and debt. The Resolution also states that it is the only means by which individuals can become responsible workers, heads of households and investors, etc.

Financial literacy is unequivocally necessary in today’s global economy. Persons who fail to recognize the importance of acquiring these skills early in life are marginalized. Financial literacy is something that I have advocated must be introduced

to school children in elementary school, or sooner if possible. A recent survey suggests that 60 percent of young people between the ages of 18 and 34 say they do not have the knowledge needed to effectively manage their personal finances and retirement security. Unless this percentage is reduced many of these individuals will remain marginalized in society.

Financial Literacy Month will be celebrated next month. I commend all of the organizations involved in supporting and implementing activities in conjunction with Financial Literacy Month. In addition, the U.S. Treasury Department is launching the National Strategy for Financial Literacy. I applaud these efforts and urge all Americans to

embrace the principles of financial literacy. In addition, I hope that we make sure that these efforts are extended to those communities that are typically have little if any access to information about the importance of financial literacy. Thank you. Mr. Chairman.