



National Association of Federal Credit Unions
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Fred R. Becker, Jr.
President and CEO

August 20, 2010

The Honorable Dennis Moore
Chairman
Subcommittee on Oversight and Investigations
House Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Moore:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association exclusively representing the interests of our nation's federal credit unions, I am writing to you regarding Tuesday's field hearing entitled "Empowering Consumers: Can Financial Literacy Education Prevent Another Financial Crisis?"

As Americans are faced with an ever widening array of financial services, it is important that they are armed with a sound understanding of the basics of personal finance. Financially literate individuals are more likely to spend prudently and put money in savings, retirement funds, and other wealth building accounts. Likewise, the same individuals are less likely to rack up large, burdensome—and sometimes unaffordable—debt, and are less likely to be victims of predatory practices.

As you may be aware, improving financial education and teaching members to invest prudently is a hallmark of the credit union community. NAFCU and our member credit unions know that financial literacy is an issue that touches all Americans, regardless of age and income level, and is closely intertwined with personal savings habits. Credit unions know that saving is a matter of choice, and that the most important factor in long-term wealth accumulation is the act of saving itself. Even though the savings rate has rebounded in recent years, many credit unions have initiated special programs to educate their members and encourage them to save. NAFCU is proud to be proactively involved in promoting financial literacy and personal savings in the United States.

We thank you for holding this important hearing and we look forward to continuing to work with the subcommittee to develop innovative and effective financial education initiatives. Should you have any questions, please do not hesitate to contact myself or NAFCU's Director of Legislative Affairs, Brad Thaler, at 703-842-2204.

Sincerely,

Fred R. Becker, Jr.
President/CEO

cc: Members of the House Financial Services Subcommittee on Oversight and Investigations