



**Financial Literacy and Education Commission (FLEC) Public Meeting
May 29, 2025, 1:00 PM – 2:45 PM (Eastern Time)**

FLEC Members Meeting In-Person at the U.S. Department of the Treasury

The public is invited to view the meeting through the Treasury **Webcast**

FLEC-REPRESENTED MEMBERS

1. Department of the Treasury (Treasury) (Chair)
 - Scott Bessent, Secretary
2. Consumer Financial Protection Bureau (CFPB) (Vice Chair)
 - Mark Calabria, Senior Advisor to the Acting Director (acting pursuant to delegated authority)
3. Board of Governors of the Federal Reserve System (FRB)
 - Angelyque Campbell, Associate Director and Community Affairs Officer
4. Commodity Futures Trading Commission (CFTC)
 - Jorge Herrada, Acting Director, Office of Customer Education and Outreach
5. Department of Agriculture (USDA)
 - Not Represented
6. Department of Defense (DoD)
 - Andrew Corso, Director, Office of Military Compensation and Financial Readiness, Office of the Under Secretary for Personnel Readiness
7. Department of Education (ED)
 - Christian Odom, Federal Student Aid Ombudsman, Office of the Ombudsman
8. Department of Health and Human Services (HHS)
 - Mike Gleason, Senior Advisor, Office of the Assistant Secretary for Planning and Evaluation
9. Department of Housing and Urban Development (HUD)
 - Frank Cassidy, Principal Deputy Assistant Secretary of Housing, Federal Housing Administration
10. Department of Interior (DOI)
 - Treci Johnson, Director, Office of Communication, Policy and Training
11. Department of Labor (DOL)
 - Dan Iannicola, Chief of Staff, Office of the Assistant Secretary for Policy
12. Department of Veterans Affairs (VA)
 - Kevin McAllister, Assistant Director of Outreach Transition and Economic Development
13. Federal Deposit Insurance Corporation (FDIC)
 - Travis Hill, Acting Chairman

14. Federal Emergency Management Agency (FEMA)
 - Not Represented
15. Federal Housing Finance Agency (FHFA)
 - Leda Bloomfield, Associate Director, Office of Affordable Housing and Community Investment
16. Federal Trade Commission (FTC)
 - Rosario Mendez, Assistant Director, Division of Consumer and Business Education
17. General Services Administration (GSA)
 - Not Represented
18. National Credit Union Administration (NCUA)
 - Kyle Hauptman, Chairman
19. Office of the Comptroller of the Currency (OCC)
 - Rodney Hood, Acting Comptroller of the Currency
20. Office of Personnel Management (OPM)
 - Not Represented
21. Securities and Exchange Commission (SEC)
 - Lori Schock, Director, Office of Investor Education and Advocacy
22. Small Business Administration (SBA)
 - Not Represented
23. Social Security Administration (SSA)
 - Frank Bisignano, Commissioner
24. White House Domestic Policy Council (DPC)
 - Eric Bledsoe, Special Assistant to the President for Domestic Policy

SPECIAL REMARKS

- Michael Faulkender, Deputy Secretary, Treasury

PRINCIPAL REMARKS

- Travis Hill, Acting Chairman, FDIC
- Rodney Hood, Acting Comptroller, OCC
- Kyle Hauptman, Chairman, NCUA

PRESENTERS

Panel Discussion on “Measuring the Effectiveness of Financial Literacy Programs”

- Annamaria Lusardi, Senior Fellow and Director of the Initiative for Financial Decision-Making, Economics Department, Stanford University, Moderator
- Gerri Walsh, President, FINRA Investor Education Foundation, and Senior Vice President, Investor Education, FINRA
- David Berenbaum, Deputy Assistant Secretary, Housing Counseling, HUD
- Susan Burhouse, Senior Consumer Researcher, Division of Depositor and Consumer Protection, FDIC

- Beth Darius, Program Analyst, Financial Readiness, Office of the Deputy Assistant Secretary of Defense, DoD

CLOSING REMARKS

- Scott Bessent, Secretary of the Treasury, Chair

GENERAL SESSION

Welcome and Overview

Tyler Curtis, Director of the Office of Consumer Policy at Treasury, and Moderator

Mr. Curtis opened the meeting at approximately 1:00 P.M. He said that the meeting would focus on measuring the effectiveness of financial education and literacy programs. He said that remarks by several FLEC principals would be followed by a panel discussion on “Measuring the Effectiveness of Financial Education and Literacy Programs.” He then introduced Michael Faulkender, Deputy Secretary of the Treasury.

Michael Faulkender, Deputy Secretary of the Treasury

Deputy Secretary Faulkender stated that expanding access to economic opportunity is an important way to strengthen communities. He said that promoting financial literacy empowers individuals to build wealth, achieve financial independence, and realize the significant economic opportunities available in the United States.

Deputy Secretary Faulkender spoke about his role at Treasury during President Trump’s first term, when he served as Assistant Secretary for Economic Policy. He noted that in that role, he participated in the negotiation and implementation of the CARES Act, which he said helped millions of Americans maintain employment and meet their immediate needs. He discussed findings from the 2021 National Survey of Unbanked and Underbanked Households, which indicated that Economic Impact Payments issued by the IRS contributed to more than one-third of recently banked households opening a bank account.

Deputy Secretary Faulkender spoke about his current responsibilities overseeing the implementation of numerous Treasury initiatives, from tax administration to advising on financial regulation across the federal government, to the transition from paper checks to secure digital payments. He noted that the federal government still issues approximately 40 million checks annually, and he stressed the importance of modernizing payments to reduce costs, improve efficiency and security, and promote financial inclusion.

Deputy Secretary Faulkender discussed the risk of fraud when using checks, compared to electronic funds transfers, and he noted that banks reported approximately 680,000 cases of check fraud in 2022. He highlighted strategies Treasury is using to combat check fraud, including the use of machine learning AI to speed up identification and recovery of altered Treasury checks. He encouraged agencies, as they develop their implementation plans in response to the recent Executive Order on Modernizing Payments To and From America’s Bank Account, to educate the public about the risks of using paper checks and the benefits of faster

and more secure digital payments and other strategies designed to improve security, such as dual factor authentication.

Mark Calabria, Senior Advisor to the Acting Director, CFPB, Vice Chair (acting pursuant to delegated authority)

Mr. Calabria stressed that when undertaken thoughtfully, financial literacy is the most effective form of consumer protection, enabling consumers to evaluate their choices and risks. He noted that disclosure is the foundation of most consumer protection statutes, and that the effectiveness of disclosure relies on the ability of consumers to utilize the information disclosed. He underscored that financial education is one of the CFPB's core objectives and he said that the agency seeks to improve consumer knowledge and decision-making. He said that funds spent on financial education should not be considered a measure of success but rather of cost. He closed his remarks by inviting participants to think of ways in which financial literacy can be used to better inform consumers and improve their decision-making ability.

Travis Hill, Acting Chairman, FDIC

Acting Chairman Hill noted that a significant portion of the population lacks financial literacy, struggles to build emergency savings, and faces obstacles to achieve long-term financial stability. He noted that the use of mobile banking has increased nine-fold in the past decade. He stressed the continuing need for high quality, objective financial education programs. He highlighted the FDIC's Money Smart program as an example of such a program, which makes financial education curricula available to banks, schools, colleges and other stakeholders.

Acting Chairman Hill emphasized that the Executive Order on Modernizing Payments To and From America's Bank Account presents a unique opportunity to promote banking relationships. He commended the interagency work undertaken by the FDIC, Treasury and the IRS during the pandemic that encouraged consumers to open bank accounts to receive their economic stimulus payments via direct deposit. He reaffirmed the FDIC's commitment to ensuring that all Americans have the knowledge and tools they need to participate in the banking system.

Rodney Hood, Acting Comptroller, OCC

Acting Comptroller Hood said that the OCC was created to facilitate a safe, sound, and reliable banking and monetary system. He stated that financial literacy education plays a key role in driving financial inclusion, and empowering consumers to better use financial products and services, access capital, and build wealth. He underscored the role financial literacy plays in helping consumers avoid fraud and scams.

Acting Comptroller Hood said that the OCC is committed to providing information, resources, and best practices related to financial capability and connecting banks and community partners through outreach and training. He encouraged banks to offer products and services that help customers improve their financial health and he said that innovative technologies can help create and deliver financial products in safe, sound, and cost-efficient ways. He stressed the need for financial literacy resources that address topics such as digital asset investments.

Kyle Hauptman, Chairman, NCUA

Chairman Hauptman underscored the importance of measuring the effectiveness of financial literacy efforts. He stressed the importance of real-time, secure payments, particularly in the context of responding to a financial crisis. He said that building good financial habits can help families weather financial emergencies and make decisions in pursuit of a better life. He noted the positive effects that building financial security through savings and investment can have on physical and mental health.

Chairman Hauptman discussed the NCUA's efforts to help homeless veterans access financial opportunities, by clarifying that VA cards and case worker contact information are acceptable forms of documentation for opening credit union accounts. He highlighted the important role that credit unions play in supporting financial inclusion in underserved communities by providing needed financial services and education. He emphasized digital payments and emerging technologies as areas of continued focus for the federal government.

Michael Faulkender, Deputy Secretary of the Treasury

Deputy Secretary Faulkender stressed the importance of measuring the effectiveness of financial literacy. He then introduced Dr. Lusardi, the moderator for the panel discussion.

Panel Discussion: Measuring the Effectiveness of Financial Literacy Programs

Moderated by: Dr. Annamaria Lusardi, Senior Fellow and Director of the Initiative for Financial Decision-Making, Economics Department, Stanford University

Panelists:

- Gerri Walsh, President, FINRA Investor Education Foundation, and Senior Vice President, Investor Education, FINRA
- David Berenbaum, Deputy Assistant Secretary, Housing Counseling, HUD
- Susan Burhouse, Senior Consumer Researcher, Division of Depositor and Consumer Protection, FDIC
- Dr. Beth Darius, Program Analyst, Financial Readiness, Office of the Deputy Assistant Secretary of Defense, DoD

Dr. Lusardi stressed the importance of financial literacy in ensuring that consumers have the skills and knowledge they need to build wealth, use modernized methods of payment, and learn about security features like dual factor authentication. She said that financial literacy is an essential tool for making good financial decisions and represents the best line of defense for protecting against scams.

Dr. Lusardi discussed academic research indicating that financial education is both effective and cost-effective. She discussed the Personal Finance Index, a study that collects consumer data annually to assess personal finance knowledge. She noted that higher levels of financial literacy have positive effects on the economy through increased household savings. She said that research indicated that consumers can spend up to seven hours a week on personal financial problems, which impacts their productivity. She concluded by highlighting the need for more

financial education programming at schools, workplaces, libraries, online, and other places where consumers get information.

Ms. Walsh gave a brief overview of FINRA, noting that it is a not-for-profit organization authorized by Congress that is dedicated to protecting investors and ensuring market integrity. She noted that FINRA regulates a segment of the securities industry, member brokerage firms doing business in the United States. She said that FINRA, overseen by the SEC, writes rules, examines for and enforces compliance with FINRA rules and federal securities laws, registers broker-dealer personnel and offers them education and training, and informs the investing public. She noted that the FINRA Investor Education Foundation is a subsidiary of the organization, whose mission is to help all Americans build financial stability and wealth, through research, education, training, and outreach.

Ms. Walsh discussed the FINRA Foundation's National Financial Capability Study, which was originally commissioned by former President George W. Bush's Council on Financial Literacy. She noted that the study, which is conducted every three years, collects survey data from 27,000 respondents in each survey wave, and measures financial capability by evaluating four aspects of consumer knowledge and behavior: making ends meet, planning, managing financial products, and financial knowledge. She noted that the survey incorporates questions from the CFPB's Financial Well-Being Scale, and covers emerging topics such as artificial intelligence, crypto-assets, and Buy Now, Pay Later financing.

Ms. Walsh provided an overview of the 2024 survey, which will be published in July 2025. She noted that the findings have remained consistent, indicating that consumers with higher financial knowledge are more likely to engage in positive financial behaviors, regardless of income level. She said that 2024 data showed that more Americans were having trouble making ends meet, with younger (age 18-24) consumers experiencing the most difficulties. She noted that 2024 survey findings showed that consumers are more familiar with the concept of inflation compared with 2021 findings and that a previous trend in declining financial knowledge results had now leveled off.

Ms. Walsh emphasized that the survey data is publicly available and can be used at no cost by researchers and others to conduct their own analyses using statistical tools. She said that agencies and organizations can use the data to measure impact by conducting pre/post testing, benchmarking, longitudinal studies, and causal statistical analyses.

Mr. Berenbaum discussed the work of HUD's Office of Housing Counseling, and HUD's approach to measuring the effectiveness of the agency's Housing Counseling and Homeownership Education programs. He noted the role of housing counseling in promoting financial stability, housing security, and economic opportunity, and lowering reliance on government aid.

Mr. Berenbaum noted that the Office of Housing Counseling provides technical assistance to 1,500 HUD-approved housing counseling agencies and over 4,500 certified housing counselors, helping approximately one million consumers achieve and maintain home ownership and avoid mortgage delinquency each year. He said that housing counseling organizations, with support

from Treasury and the private sector, helped over twelve million Americans sustain housing during the financial crisis and hundreds of thousands of consumers during the COVID-19 pandemic.

Mr. Berenbaum discussed two studies conducted by HUD's Office of Policy Development and Research. He said the first one is a white paper titled "Housing Counseling Works," which summarizes research evaluating the impact of housing counseling. He said the second one is a long-term randomized experiment that followed 5,800 consumers that received home ownership education during the home buying process. He noted that those participants in the randomized experiment who received housing counseling services reported feeling more confident about finding the information they needed and felt more satisfied with the homebuying process. He also noted that younger participants in the study were more likely to purchase a home and less likely to be delinquent on their mortgage.

Mr. Berenbaum addressed other efforts at HUD to collect outcome data from consumers receiving post-purchase counseling, rental counseling, general counseling, and disaster counseling. He discussed HUD's recently created Homeownership Initiative grant program, a demonstration program administered in partnership with private sector organizations that collects pre- and post-purchase counseling and mortgage origination data. He said that data from 1,600 program participants showed a significant increase in their FICO scores, which he said represented evidence of the program's positive impact.

Ms. Burhouse discussed the FDIC's *How Money Smart Are You* program, an online suite of fourteen self-paced financial education games for adults built on the well-tested *Money Smart* curriculum. She gave an overview of the FDIC's recent evaluation of the program, which involved having participants play three games focused on basic banking, spending and saving, and managing credit, and completing a pre-survey, a post-survey, and a follow up survey three months later. She noted that the study also collected qualitative data through focus groups and interviews. She said that research findings showed positive effects on subjective financial knowledge, financial skill, well-being, and financial behavior. She stated that after playing the games, participants were more likely to prepare a household budget and increase their emergency savings. She said that participants reported that they considered the FDIC information trustworthy. She said that the evaluation confirmed the demand for self-paced online financial education.

Dr. Darius said that the statutory responsibilities of DoD's Office of Military Compensation and Financial Readiness include providing training and counseling and assessing financial literacy programs for service members and their families. She noted that the Office provides tailored financial literacy training at various touchpoints in a service member's military career, from the moment they join the military to their transition from the service.

Dr. Darius discussed the results of the annual Status of Forces Survey (SOFS), which she noted are reported in the DoD's annual Report to Congress on the financial literacy and preparedness of members of the Armed Forces and cover a broad range of financial literacy topics. She said that the survey findings provide a strategic view of military financial literacy and are used by DoD to evaluate its programs, inform policy, and identify training needs. She stated that data

from the 2023 SOFS showed that active and reserve service members had a comfortable financial condition and showed higher levels of financial well-being. She said that most service members showed positive behaviors related to credit card usage, which she said suggested that DoD's financial education efforts were effective.

Dr. Lusardi asked the panelists to share a key takeaway on how to make financial education more effective.

- Ms. Walsh mentioned the need to consider audience segmentation, since one size does not fit all.
- Mr. Berenbaum encouraged consumers to shop around and be thoughtful and deliberate in their housing purchases. He said that housing counselors should work with fintech companies to help consumers plan for the short and long term, including retirement.
- Ms. Burhouse mentioned the need to raise awareness of existing financial literacy programs and conduct outreach to drive engagement. She said that consumers value and trust the FDIC's resources.
- Dr. Darius stressed the importance of using measurement to improve programs. She noted the importance of using multiple venues to provide relevant and timely financial education.

Dr. Lusardi concluded the panel discussion by stating that financial education is achievable, cost-effective, and puts Americans on a path to greater financial security.

Scott Bessent, Secretary of the Treasury, Chair

Secretary Bessent stated that promoting financial literacy is among his top priorities as Secretary. He recalled that growing up in rural South Carolina, his father made some risky investments that put his family at a financial disadvantage. He said his father's career was a riches-to-rags kind of story, and when it was "rags," the whole family suffered, so he did his part to help support the family and began working at age nine.

The Secretary spoke about a recent meeting he attended with community bankers where the idea was proposed to replace the term "financial literacy" with "financial mastery." He expressed his preference for the term "financial security," because he said that having financial security provides freedom. He underscored that knowing how to save, invest, and build wealth over time is key to unlocking the best future for all Americans.

The Secretary noted that keeping a budget, saving for a rainy day, investing in the stock market, and long-term planning are small things that individuals can do to achieve financial security and build a stronger, more prosperous America. He noted the positive bottom-up effect of financial

literacy, and he said that financially responsible citizens will demand financially responsible leaders and may become leaders themselves one day.

The Secretary noted the importance of financial literacy given the wide range of financial assets and products available, including digital assets and Buy Now, Pay Later products, and the increasing complexity involved in maintaining the financial integrity of a household. He encouraged the FLEC to determine whether federal programs and policies designed to expand financial literacy are working, and he stated that such programs will help shape the country's financial future.

The Secretary highlighted the importance of soliciting views from the wide range of government agencies represented on the FLEC. He stressed that while each agency plays an important role, the FLEC will be more effective when it partners with state, local, and private institutions to expand the reach of financial literacy. He noted that, in response to the work of state and local organizations, most states now require a course in financial education for high school graduation.

The Secretary concluded by inviting participants to take stock of the progress made and discuss what more can be done to empower citizens to achieve the American Dream through financial literacy.

Following the Secretary's remarks, Mr. Calabria thanked the panel members and asked them to elaborate on the efficiency of financial literacy delivered across programs, through various delivery methods, and at various touchpoints.

Dr. Lusardi underscored the importance of designing programs suitable to the target population. She noted that financial literacy can be delivered in person or online and she said that successful programs meet people where they are. She noted the importance of delivering financial education through various methods and she said that financial literacy programs delivered in high school and college settings had shown promising results. She addressed the spillover effects of financial education, particularly among first-generation students who bring the knowledge back to their families and communities.

Ms. Walsh highlighted the need to meet people where they are, delivering content in different settings, and using creative ways to make financial literacy fun. She also stressed the importance of leveraging partnerships to deliver financial education in the workplace.

Mr. Berenbaum discussed the value of government innovation and partnerships with the private sector. He shared the success story of a recent college graduate participating in a homeownership education program who had reservations about homeownership because his family had experienced foreclosure. He said the participant changed his mind during the course of the program and subsequently purchased his first home.

Ms. Burhouse highlighted the positive results of a recent evaluation of the in-person, instructor-led Money Smart program and underscored the importance of offering consumers different options.

Ms. Darius mentioned the importance of making financial education fun to reduce the stress typically associated with financial conversations.

Mr. Hauptman raised the issue of state and local fees, such as late fees on tax bills or highway tolls that exceed applicable usury laws. He said that certain state and local governments appear to charge higher fees and fines and have harsher collection practices than other areas.

Dr. Lusardi noted that she talks to her students about the impact of not making a payment or making a late payment on their credit reports and FICO scores. She underscored the importance of raising awareness about how financial instruments work, and she said that better informed consumers will be better equipped to advocate for changes to consumer laws they consider unfair.

Mr. Berenbaum noted that housing counselors working with consumers often encounter issues with tax assessments on forward and reverse mortgages that carry substantial penalties. He said that these are also known as liens in certain jurisdictions. He said that HUD works with consumers to help them sustain homeownership and avoid foreclosure.

Conclusion

Mr. Calabria adjourned the meeting at approximately 2:43 P.M.