

Youth Financial Capability

FDIC ComE-IN Advisory Board Meeting

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Consumer Financial Protection Bureau

CFPB's Statutory Objectives

- To ensure that consumers have timely and understandable information to make responsible decisions about financial transactions;
- To protect consumers from unfair, deceptive, or abusive acts or practices, and from discrimination;
- To reduce outdated, unnecessary, or unduly burdensome regulations;
- To promote fair competition by enforcing the Federal consumer financial laws consistently; and
- To advance markets for consumer financial products and services that operate transparently and efficiently to facilitate access and innovation.

Our Vision

A consumer finance marketplace...

where customers can see prices and risks up front and where they can easily make product comparisons;

in which no one can build a business model around unfair, deceptive, or abusive practices;

that works for American consumers, responsible providers and the economy as a whole.

CFPB Office of Financial Education Objectives

- ***Build a comprehensive approach to financial education in the U.S.:*** Develop knowledge about what works in financial education and provide opportunities for financial educators to learn about effective strategies.
- ***Promote innovation:*** Test new ideas and share successful innovations with the field.
- ***Educate consumers:*** Provide understandable information that helps customers make informed financial decisions.
- ***Increase outreach and federal coordination:*** Build relationships with all stakeholders. In addition, Director of the CFPB serves as the vice chair of the Financial Literacy and Education Commission.

Consumer Education and Engagement

Financial Education

- Provide targeted educational content
- Identify and promote effective fin ed practices

Consumer Engagement

Create interactive, informative relationship with consumers

Servicemembers

- Improve financial protection
- Monitor Service members complaints
- Coordinate w/ DoD, etc.
- 2.2 million military personnel
- 22 million veterans

Older Americans

- Protect against financial abuse
- Improve financial literacy
- Planning for life events
- 50 million aged 62+

Students

- Increase awareness of debt when selecting a college
- Monitor students complaints
- Build campus awareness
- 22-28 million (age 16-26)

Financial Empowerment

- Improve financial stability for low-income & other economically vulnerable consumers
- 68 million unbanked or underbanked
- 33% of Americans earn less than twice the poverty line
- Approximately 50 million have thin or no credit files

Our Recommendations

CFPB's policy recommendations for supporting youth financial capability.

Recommendation 1: Introduce key financial education concepts early and continue to build on that foundation consistently throughout the K-12 school years. In addition, CFPB encourages states to make a stand-alone financial education course a graduation requirement for high school students.

Recommendation 2: Include personal financial management questions in standardized tests.

Recommendation 3: Provide opportunities throughout the K-12 years to practice money management through innovative, hands-on learning opportunities.

Recommendation 4: Create consistent opportunities and incentives for teachers to take financial education training with the express intention of teaching financial management to their students.

Recommendation 5: Encourage parents and guardians to discuss money management topics at home and provide them with the tools necessary to have money conversations with their children.

Resources

- Ask CFPB: <http://www.consumerfinance.gov/askcfpb/>
- Order Materials: <http://promotions.usa.gov/cfpbpubs.html>
- CFPB Blog: <http://www.consumerfinance.gov/blog/>
- Paying for College: www.consumerfinance.gov/students/.
- Complaints: <http://www.consumerfinance.gov/complaint/>
- Rulemakings: <http://www.consumerfinance.gov/notice-and-comment/>

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