

**Remarks by
Chairman Donald Powell
at the
Kickoff Event of the FDIC's Hispanic Media
Campaign Promoting Financial Literacy
June 9, 2005**

Buenos dias. And welcome to the kick-off of our national media campaign to offer financial education to Hispanic Americans.

I am thrilled to be here. Four years ago the FDIC launched a financial education program known as Money Smart. Since then, we have seen the financial education movement grow exponentially. The private and public sectors are showing creativity and an enterprising spirit in promoting financial literacy across America. Today, the push to bring more Americans into the financial mainstream is gathering momentum.

Earlier this year the FDIC was honored to be asked by President Bush to serve on the first national public/private partnership to ensure that financial education is available to Hispanic communities. I am proud to say that the Corporation has responded enthusiastically to the President's request. Since then, we have worked closely with our dedicated partners to help many Hispanic Americans step across the threshold into financial literacy. It is our pleasure to be working in partnership with the U.S. Treasury Department, the Small Business Administration, the U.S. Hispanic Chamber of Commerce, the U.S. Latino Coalition, and the FDIC's many National Partners – including SER Jobs for Progress National, ASPIRA Association, MANA, A National Latina Organization, and the Bert Corona Leadership Institute.

This morning, we are proud to share with you our first major outreach effort to expand access to our Money Smart financial education program in the Hispanic community—our national media campaign. Before I talk about that in greater detail, however, I want to recognize and thank the members of Congress who have joined us today. We know your time is precious, and we so appreciate your support for our efforts. We are honored to have with us the leadership of the Financial Literacy and Education Commission and of the Congressional Hispanic Conference, and, of course, the Ranking Minority Member of the House Financial Services Committee, Congressman Barney Frank, as well as House Financial Services Committee Member Steve Pearce, who is representing Chairman Oxley this morning. Thank you all for being here. I also want to thank the many, many individuals who have enlisted in the financial literacy effort. They are making it all possible with their hard work and dedication.

With this media campaign we hope to confront and address a serious problem. Today, nearly 40 million Hispanics reside in the United States. About 20 million do not have a basic bank account. As a result, these individuals may be missing a tremendous opportunity to establish credit, own a home and built a better future for their families. Many of these individuals are also paying excessive fees for basic check-cashing and

remittance services, because they may not be aware of the benefits of participating in the U.S. financial system.

There is also a business imperative for our financial services industry. Financial industry analysts believe that more than half of the U.S. retail banking growth in financial services will emanate from the Hispanic market. There are tremendous opportunities for our financial institutions in this giant market. It simply makes good business sense.

Beginning today, the FDIC's Hispanic Media Campaign will bring a clear and urgent message to Hispanic Americans across the country: financial literacy matters. Knowing how to participate in the financial mainstream can improve your life and ensure a better future for you and your family. And the FDIC has a great financial education program—Money Smart—to help you learn how that system works and how you can benefit from it.

Our media campaign began this week—with both radio and print ads in Spanish running in 14 key Hispanic communities across the country: New York, Boston, Atlanta, Miami, Chicago, Kansas City, Dallas, San Antonio, Austin, McAllen, Denver, Los Angeles, Puerto Rico, and Washington, D.C.

Our print and radio ads will promote financial literacy and explain the benefits of the Money Smart program. Consumers will be directed to a toll-free number to learn more about Spanish Money Smart classes in selected markets. Our ads, as you can see from the boards displayed here, speak to real-life experiences—marriage and children—and the need to save money to purchase a home and pay for a child's college education.

We are excited about sharing our Money Smart Program with Hispanic consumers nationwide. Since we introduced Money Smart in 2001, about 300,000 people have attended at least one class using the curriculum and more than 40,000 banking relationships have been formed.

Money Smart is designed for adults with little or no banking experience and is available free of charge. It is available in Spanish and in many other languages. The curriculum covers such topics as basic banking services, the importance of saving, how to open and maintain a checking account, how credit works, and homeownership.

As part of this campaign, organizations in the 14 markets will sponsor Spanish-language classes throughout the summer to instruct Hispanic consumers. These organizations include non-profits, schools, financial institutions, faith-based organizations and others.

The dream I have for this country is one in which all Americans understand how money works in our society, how best to protect their earnings and investments, how to build assets and how to borrow wisely. We live in an increasingly connected world and one that moves at an ever faster pace. Those who know how to navigate their way through this world will benefit. But those who do not expand their knowledge of financial

management risk being marginalized and shut out of today's highly sophisticated financial services industry and all the benefits it has to offer. Financial literacy is the key. Today we will begin a three-month campaign—throughout the summer of 2005—to empower Hispanic Americans by offering the key to a better future.

For those who are bi-lingual, we have samples of the radio ads. For those of us who are not bi-lingual, the first ad portrays the host is a self-help radio show who is advising a her listeners to call the toll free number to learn more about Money Smart as a solution to their financial questions about saving for college. The second portrays a soap opera style discussion between a husband and wife about purchasing a home. It references Money Smart as a way to get more information and also provides the toll free number

Last Updated 06/09/2005