

April 17, 2007: Supporting the Goals and Ideals of Financial Literacy Month

The Honorable Loretta Sanchez

SUPPORTING THE GOALS AND IDEALS OF FINANCIAL LITERACY MONTH

April 17, 2007

Mr. Speaker, I rise in strong support of H. Res. 273--Supporting the goals and ideals of Financial Literacy Month.

Have you seen the headlines recently? Only yesterday, it was reported that mortgage defaults are at an all time high in California. According to one report, 46,760 borrowers defaulted between January and March. That's an increase of 23.1 percent relative to the previous quarter, and 148 percent compared with the same period a year ago.

In another story, I read that foreclosures of homes in California were 11,033 in the first quarter. That's an 81.5 percent increase over last quarter.

I'm concerned about the effect that this is having on families in my home state. I'm also concerned about the effect that this is having on the economy of the nation as a whole.

While it is impossible to say that this crisis could have been avoided, we can certainly do more to shield consumers from its worst effects. One of those ways is to promote greater financial literacy.

This bill, H. Res. 273, is an important tool for increasing awareness, and points the way forward toward creating greater financial literacy in our communities.

The potential benefits of greater financial literacy are almost incalculable. We can be sure that greater awareness and understanding of finances will lead to higher savings rates. It will allow consumers to gain access to less expensive and less risky loans. And it will protect people from getting into a precarious financial situation without their understanding the consequences.

I urge my colleagues to support this legislation, and for us to join together to not only promote the goals of financial literacy, but also, to make them a reality.

