



Statement
Of
Dennis Dollar, Chairman
National Credit Union Administration
January 29, 2004

Good morning. I am Dennis Dollar, Chairman of the National Credit Union Administration. I am pleased to be here on behalf of the NCUA, the regulatory and supervisory agency responsible for the nation's approximately 6,900 federally-chartered credit unions and the insurer of over 83 million member accounts in almost 10,000 federally insured credit unions, both federal and state charters.

NCUA is extremely pleased to have been designated to join with each of you today on this most important ingredient to achieving the American Dream – and that is financial education. From our experience, there can be no question that financial literacy is the vital link to financial self-sufficiency. Before anyone can effectively achieve the financial self-sufficiency necessary to break the cycle of payday lending and progress to building the credit base upon which to build an approvable application for a new vehicle or a home mortgage, they must have a foundation of understanding of the America's mainstream financial system. We who are in that system have a responsibility to help more Americans understand that system and how to make it work for them.

At NCUA, we developed an initiative we have named Access Across America, which focuses on creating economic empowerment opportunities for Americans from all walks of life. The success of this initiative in providing greater access to lower cost credit union services in many underserved communities across America has been tremendous. The results speak for themselves. Since the initiative began in 2001, 558 federal credit unions have adopted 975 CDFI-designated investment census tracts, also known as underserved or unbanked areas, with over 64.7 million Americans residing in those neighborhoods which now, as a result of this initiative, are eligible to join a local credit union. To demonstrate how well this initiative has been received in producing results, the average membership growth rate in these 558 credit unions which adopted underserved areas is 92.6% greater than the average membership growth rate in the overall credit union industry.

These residents will also have access to financial education resources. Through Access Across America, NCUA has partnered with the FDIC in promoting the Money Smart program to credit unions – we have been pleased with the growing participation by credit unions in this program. NCUA is also working in partnership with the Treasury Department, Department of Agriculture, HUD, IRS, Neighborhood Reinvestment Corporation and other entities to promote financial education through credit union participation in the respective programs these agencies offer and in which credit unions are eligible to participate.

I commend Secretary Snow for his leadership in promoting financial literacy across America and NCUA is honored to have a seat at this table. To emphasize the level of the agency's commitment to this effort, I have designated NCUA's Vice Chair JoAnn Johnson to serve as NCUA's official representative on this commission. We look forward to active participation and partnership in this effort.