



April 29, 2014

The Honorable Shelley Moore Capito
Chairman
Subcommittee on Financial Institutions and
Consumer Credit
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

The Honorable Gregory Meeks
Ranking Member
Subcommittee on Financial Institutions and
Consumer Credit
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

Dear Chairman Capito and Ranking Member Meeks:

On behalf of the Credit Union National Association (CUNA) and the National Credit Union Foundation (NCUF), we are writing regarding your hearing on the “Examining How Technology Can Promote Consumer Financial Literacy.” CUNA is the largest credit union advocacy organization in the United States, representing America’s state and federally chartered credit unions and their 99 million members. NCUF is the philanthropic and social responsibility leader of America's credit union movement, raising funds, making grants, managing programs, and providing education empowering consumers to achieve financial freedom through credit unions.

Credit unions change lives each day through the “People Helping People” philosophy that drives the credit union movement. Each year, credit unions invest millions of dollars to provide financial education and counseling programs to consumers. Against a fragmented landscape where each credit provider is seeking maximum gain, not-for-profit credit unions continue to be true to their mission of serving as trusted advisors to their members and communities.

As the charitable arm of America’s credit union movement, the NCUF’s programs and grants provide widespread financial education, create greater access to affordable financial services, and empower credit union members to build assets. One of the main pillars of the NCUF is to provide funding and promotion of financial literacy tools and education through credit unions across the nation. This mission is embedded in the fifth cooperative principle – education, training and information. Indeed, it is in the interest of all credit unions to have members that are financially literate and understand the importance of thrift and the responsibility of credit.

In an effort to catalog credit union efforts around financial capability building, NCUF conducted a comprehensive research study to provide an inventory of credit union financial education/counseling programs nationally. Almost 600 credit unions shared their strategies and progress toward helping members and consumers make better financial choices. In 2012, the

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NCUF concluded its study and released a detailed report titled “Credit Unions: Focused on Financial Capability across the Nation.”¹

The report describes how coordinated efforts with NCUF have assisted in credit unions’ ability to provide financial counseling to more than 1.6 million consumers a year and nearly 24,000 annual educational presentations to more than 600,000 students. 111,500 student members had \$34 million on deposit at 1,400 in-school credit union branches that encourage savings and connect financial education with financial access. Nearly 5,000 student workers received on-the-job training experiences at in-school credit union branches. 85,000 teens and young adults participated in 1,200 experiential learning events organized or provided by credit unions. Experiential learning provides participants with a taste of the real financial world in a safe and controlled environment. The report also found that in 2010 credit unions invested more than \$140 million toward improving the financial capability of members and consumers in general.

More than 300 credit unions offer financial education tools on-line, according to the report. These efforts resulted in 1.2 million members having visited or used a credit union on-line educational tool, resource and/or course and generated tens of millions page views. Thousands of new members joined credit unions after having used these on-line resources. One of these programs is *Money Mission*, an interactive, web-based simulation designed to educate users in the fundamentals of financial literacy. *Money Mission*, developed by the Wisconsin Credit Union League, has many features which make it unique in the marketplace, including: an immersive, animated interface with a look and feel designed specifically for the game and its targeted demographic – currently 16 to 19-year-olds; an innovative approach to simulation design, which includes inputs from external data such as stock market prices and cost of living changes and user choices in the area of life-event choices, money management; a user configurable experience including customizable characters ("Avatars") and selectable vehicles; and entertaining animated lessons teaching users critical financial principles.

The credit union system’s financial education efforts also include *Biz Kid\$*, which launched nationally in January 2008 and teaches kids about money and business. A coalition of more than 300 credit unions and affiliates from across the country have helped exclusively fund *Biz Kid\$* with over \$13.8 million. The initiative includes a TV series, free classroom curriculum, outreach activities, a website and a monthly on-line newsletter targeting children 9 – 16 years old. It is the first national public television series promoting financial education for elementary and middle school students. Created by the producers of *Bill Nye the Science Guy*, *Biz Kid\$* teaches students how to use credit wisely and reinforces the importance of budgeting, saving, and giving back to the community.

¹ The report may be found at: http://realsolutions.coop/assets/2012/1/5/Credit_Unions-Focused_on_Financial_Capability_Across_the_Nation-NCUF_Report.pdf

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Since its inception, *Biz Kid\$* has received significant entertainment industry recognition including a Daytime Emmy. More than 1.5 million students and teachers have been exposed to the curriculum, which has been implemented in classrooms and afterschool programs nationwide. The show has received the status of “recommended educational resource” by the State Boards of Education in seven states. In addition, *Biz Kid\$* has been adopted by the Internal Revenue Service to use in their educational outreach program in schools across the United States. The show has also been adopted by Ernst & Young to use in their education outreach programs for middle school and high school students. To extend the impact of the series, public TV stations nationwide have established partnerships with credit unions and community groups – sponsoring teacher seminars, kids’ contents and family events.

NCUF believes that access to financial products and services should always be accompanied by educational opportunities. This link between education and impending opportunities to make financial decisions enables members to take action based on newly gained knowledge, resulting in more financially capable and secure members. As the credit union movement continues to grow, so too will the importance of ensuring our members have the tools they need for a successful financial future.

Finally, as the primary national trade association for credit unions in the United States, CUNA also contributes significantly to financial literacy, working closely with the various state credit union leagues and associations. One of the credit union system’s recent contributions in this area is a consumer focused website: asmarterchoice.org. The goal of the website is to help consumers understand why credit unions are a smarter choice for them to conduct financial services and to help them connect with credit unions that they are eligible to join. To this end, asmarterchoice.org features a credit union locator, a financial literacy blog and other helpful information about the credit union difference. Since its inception, the site has been visited by almost 700,000 unique visitors, with more than 300,000 people having used the credit union locator.

America’s credit unions are committed to continuing to work to ensure that consumers of all ages understand how to responsibly manage their finances, and recognize that financial education needs to begin at a very early age. On behalf of America’s credit unions and their 99 million members, we appreciate the attention you are giving to the importance of financial education.

Best regards,



Bill Cheney
President & CEO
Credit Union National Association



Christiane G. Hyland
Executive Director
National Credit Union Foundation