



**Financial Literacy and Education Commission (FLEC) Public Meeting  
September 24, 2025, 10:00 AM – 11:45 AM (Eastern Time)**

FLEC Members Meeting In-Person at the U.S. Department of the Treasury

The public is invited to view the meeting through the Treasury [Webcast](#)

**FLEC-REPRESENTED MEMBERS**

1. Department of the Treasury (Treasury) (Chair)
  - Scott Bessent, Secretary
2. Consumer Financial Protection Bureau (CFPB) (Vice Chair)
  - Mark Calabria, Senior Advisor to the Acting Director (acting pursuant to delegated authority)
3. Board of Governors of the Federal Reserve System (FRB)
  - Angelyque Campbell, Associate Director and Community Affairs Officer
4. Commodity Futures Trading Commission (CFTC)
  - Melanie Devoe, Acting Senior Advisor to the Director, Office of Customer Education and Outreach
5. Department of Agriculture (USDA)
  - Not Represented
6. Department of Defense (DoD)
  - Renee Cleveland Harris, Acting Director, Office of Financial Readiness
7. Department of Education (ED)
  - Christian Odom, Ombudsman, Office of the Ombudsman
8. Department of Health and Human Services (HHS)
  - Michael Boes, Chief of Staff
9. Department of Housing and Urban Development (HUD)
  - Frank Cassidy, Principal Deputy Assistant Secretary for Housing
10. Department of Interior (DOI)
  - Treci Johnson, Director, Office of Communication, Policy and Training
11. Department of Labor (DOL)
  - Lori Chavez-DeRemer, Secretary
12. Department of Veterans Affairs (VA)
  - Joshua Quill, Senior Advisor to the Secretary
13. Federal Deposit Insurance Corporation (FDIC)
  - Elizabeth Ortiz, Deputy Director, Consumer and Community Affairs
14. Federal Emergency Management Agency (FEMA)
  - Not Represented
15. U.S. Federal Housing Finance Agency (FHFA)

- Leda Bloomfield, Senior Associate Director, Office of Affordable Housing and Community Investment
- 16. Federal Trade Commission (FTC)
  - Jennifer Leach, Associate Director, Division of Consumer and Business Education
- 17. General Services Administration (GSA)
  - Not Represented
- 18. National Credit Union Administration (NCUA)
  - Sarah Bang, Chief of Staff
- 19. Office of the Comptroller of the Currency (OCC)
  - Jonathan Gould, Comptroller of the Currency
- 20. Office of Personnel Management (OPM)
  - Not Represented
- 21. Securities and Exchange Commission (SEC)
  - John Moses, Deputy Director, Office of Investor Education and Advocacy
- 22. Small Business Administration (SBA)
  - Not Represented
- 23. Social Security Administration (SSA)
  - Nick Perrine, Chief Communications Officer
- 24. White House Domestic Policy Council (DPC)
  - Eric Bledsoe, Special Assistant to the President for Domestic Policy

#### **REMARKS BY FLEC CHAIR AND VICE CHAIR**

- Scott Bessent, Secretary of the Treasury, Chair
- Mark Calabria, Senior Advisor to the Acting Director, CFPB, Vice Chair
- Luke Pettit, Acting Under Secretary for Domestic Finance, Treasury, Moderator

#### **PRINCIPAL REMARKS**

- Jonathan Gould, Comptroller of the Currency, OCC
- Lori Chavez-DeRemer, Secretary, DOL
- Frank Cassidy, Principal Deputy Assistant Secretary for Housing, HUD

#### **PRESENTERS**

##### **Panel Discussion on “National Trends in Payments Fraud”**

- Lois Greisman, Associate Director, Division of Marketing Practices, FTC, Moderator
- Scott Anchin, Senior Vice President, Strategic Initiatives and Policy, Independent Community Bankers of America (ICBA)
- Ian Spear, Deputy Associate Director, Division of Reserve Bank Operations and Payments, FRB

##### **Panel Discussion on “Implementation of Executive Order 14247 on Modernizing Federal Payments”**

- Renata Miskell, Deputy Assistant Secretary, Accounting Policy and Financial Transparency, Office of the Fiscal Assistant Secretary, Treasury, Moderator

- Joshua Quill, Senior Advisor to the Secretary, VA
- Matthew Bilenki, Director, Finance and Management, SSA
- Denise Davis, Director, Return Integrity Verification Program Management, Internal Revenue Service (IRS)

## **GENERAL SESSION**

### **Welcome and Overview**

#### **Luke Pettit, Acting Under Secretary for Domestic Finance, Treasury, and Moderator**

Mr. Pettit opened the meeting at approximately 10:00 A.M. He said the meeting would focus on payments fraud and federal agency efforts to implement Executive Order 14247, *Modernizing Payments To and From America's Bank Account (modernizing payments EO)*. He noted that remarks by Treasury Secretary Bessent would be followed by FLEC principal remarks and two panel discussions: the first panel focused on national trends in payments fraud, and the second panel on federal agency efforts to implement Executive Order 14247, *Modernizing Payments To and From America's Bank Account*, followed by Q&A. He then introduced Secretary of the Treasury Scott Bessent.

#### **Scott Bessent, Secretary of the Treasury**

Secretary Bessent opened his remarks by stating that on the 250<sup>th</sup> anniversary of the signing of the Declaration of Independence, the country was entering into a new economic golden age. He underscored the Administration's commitment to delivering benefits to all citizens, and the importance of Americans learning to save, invest, and build wealth while the economy continues to grow.

Secretary Bessent emphasized his belief that expanding financial literacy would fundamentally shape future generations, because financially responsible citizens will demand financially responsible leaders, and many of them will become those leaders themselves one day. He stated that this would help put the country back on a financially sustainable path.

Secretary Bessent underscored the importance of the FLEC's work, and his support for the Trump Accounts established in the One Big Beautiful Bill. He stated that starting next year, Trump Accounts would begin to build a strong foundation for young Americans' financial futures. He said the accounts are an opportunity for children to learn how to invest and grow their money through real-world experience, giving the next generation a jumpstart in establishing financial security.

Secretary Bessent noted the threats that may undermine financial security. He said that fraud and scams are evolving and expanding faster than ever, putting many families at risk. He noted that law enforcement and anti-money laundering tools can help thwart criminals, who are often based overseas, from perpetrating crimes against hardworking Americans. He highlighted the key role FLEC-represented agencies play in warning Americans of risks and teaching them how to avoid scams.

Secretary Bessent said that this FLEC meeting would focus on payments fraud, which he said is a growing threat to the nation's financial security. He said the Administration was addressing this threat by working to modernize America's payments. He said that ending the federal government's use of paper checks, except in limited situations, and accelerating the transition to electronic payments could help reduce fraud, theft, and delays preventing Americans from receiving their payments.

Secretary Bessent noted that federal agencies are leading the way towards modernizing federal payments by updating their business practices and contacting payees to ensure the transition is smooth, effective, and secure. He highlighted the importance of leveraging this opportunity to provide all Americans with information on the immediate and growing risk of fraud associated with the use of paper checks, and the knowledge and tools for using electronic payments that are safer, faster, and more convenient.

Secretary Bessent said that while the federal government is leading the effort to phase out paper checks across America, this is just one of many ways that Americans must adapt to an increasingly digital and complex financial world. He noted that each year, the FLEC conducts a review of the National Strategy for Financial Literacy, which establishes unified priorities to promote financial literacy and security. He noted that the strategy was last updated in 2020, and he said it is time for a refresh.

Secretary Bessent concluded by calling on the FLEC to engage with public and private partners to advance an updated national strategy that addresses financial challenges and opportunities facing Americans today.

**Mark Calabria, Senior Advisor to the Acting Director, CFPB, Vice Chair** (acting pursuant to delegated authority)

Mr. Calabria said that payments fraud is an area of concern for the CFPB and highlighted the agency's success with a recent webinar held by the Office of Older Americans on Cognitive Decline and Elder Financial Exploitation. He emphasized that modernizing payments would help protect older Americans who rely on paper checks and are more vulnerable to payments fraud. He stated that Treasury, the IRS, the SSA, and the VA issue a significant portion of federal payments and he said that he looked forward to hearing about the agencies' progress in modernizing payments. He commended Treasury and the IRS for streamlining the use of direct deposit for business taxpayers, among other efforts. He concluded his remarks by discussing the CFPB's recent open banking rulemaking, which he said is intended to promote innovation in the financial system while reducing the risk of paper check fraud.

**Jonathan Gould, Comptroller, OCC**

Comptroller Gould stated that financial education is the foundation for building long-term financial prosperity and safeguarding consumers against fraud. He stressed the importance of financial education as the banking system evolves, such through adaptation of new technologies including artificial intelligence (AI) and new payment products like stablecoins. He observed that efforts to modernize government payments provide an opening for Americans to interact more efficiently and effectively with the financial system while reducing fraud and theft associated with the use of paper checks. He emphasized that payments fraud poses a threat to the

safety and soundness of financial institutions, undermines trust in the banking system, and can deplete the wealth of hard-working Americans. He stressed the importance of financial education to arm consumers with the knowledge and skills they need to engage with products like digital assets, and to protect themselves and recover from fraud and scams. He encouraged financial educators to consider the use of technology to enhance delivery of financial education. He highlighted the OCC's financial resources available on [occ.gov](https://www.occ.gov) and the FLEC's website [MyMoney.gov](https://www.mymoney.gov).

**Lori Chavez-DeRemer, Secretary, DOL**

Secretary Chavez-DeRemer stated that financial literacy and education is a key part of the DOL's mission. She discussed the Employee Benefits Security Administration (EBSA), which oversees retirement and benefit plans for over 153 million workers, retirees, and families covered by those plans. She discussed the DOL's actions to protect beneficiaries against fraud and she underscored the importance of financial literacy in providing consumers with critical skills to protect themselves. She noted that Americans who are financially savvy tend to save more during their working years and make better financial decisions during retirement.

**Frank Cassidy, Principal Deputy Assistant Secretary for Housing, HUD**

Mr. Cassidy discussed the essential role that financial education plays in promoting housing stability and long-term self-sufficiency. He noted that financial literacy is deeply integrated into HUD's services and he said that HUD-approved housing counseling agencies assist approximately one million households each year with customized counseling and education. He said that HUD-certified housing counselors are trusted advisors in their communities and play an important role in helping consumers avoid fraud and scams.

Mr. Cassidy noted that HUD is contributing to modernizing payments by processing most of its disbursements electronically, including grant and subsidy payments. He stated that electronic fund transfers help HUD deliver funds securely, lower processing costs, and reduce fraud. He said that housing counselors were helping clients transition from cash to digital banking options, while building public trust in online banking and digital payments. He said that the work of housing counselors complements the work of the NCUA, the FDIC, and the OCC to expand access to safe financial products.

Mr. Cassidy stated that HUD-certified housing counselors helped 8,300 households in FY 2024 identify and protect themselves from scams related to housing, mortgage servicing and other housing-related financial transactions. He concluded by reiterating HUD's commitment to advancing financial literacy and education through interagency collaboration.

**Luke Pettit, Acting Under Secretary for Domestic Finance, Treasury, and Moderator** stated that the first panel would focus on national trends in payments fraud and would be moderated by Louis Gressman, Associate Director of the Division of Marketing Practices at the FTC.

**Panel Discussion: National Trends in Payments Fraud. Moderated by: Lois Greisman, Associate Director, Division of Marketing Practices, FTC**

**Panelists:**

- Scott Anchin, Senior Vice President, Strategic Initiatives and Policy, ICBA
- Ian Spear, Deputy Associate Director, Division of Reserve Bank Operations and Payments, FRB

Ms. Greisman summarized national trends in payments fraud using data from consumer reports made to the FTC, and stored in the Consumer Sentinel Network database, which she said is available to law enforcement, state, federal, and some international partners. She noted that there were 2.6 million reports of fraud made to the FTC in 2024, amounting to \$12.8 billion in losses. She stated that the top types of fraud reported were: 1) government and business imposter scams; 2) online shopping and negative reviews; 3) business and job opportunity scams; 4) investment scams; and 5) internet service scams. She stated that dollar losses to fraud reported to the FTC have gone up each year in the last five years and she noted that government and business imposter scams and scams against older adults tend to have the highest losses.

Mr. Anchin highlighted the key role that community banks play all over the country, reinvesting local dollars back into the community, creating jobs, and providing relationship banking. He said that community banks are the only physical banking presence in one in three U.S. counties, and provide four trillion dollars in consumer, small business, and agricultural loans. He said that fraud and scams are a significant issue across the country, and that for many community banks, fraud is the top internal risk, with fraud losses exceeding loan losses. He noted that counterfeit checks is also a significant concern, as one in five Americans have been, or know someone who has been, a victim of check fraud.

Mr. Anchin highlighted the effectiveness of relationship-based education provided at bank branches and in local communities, and which he said is a key element to building networks of trust. He stated that ICBA and community banks in general were very supportive of the coordinated federal efforts on fraud and scams, and he commended Treasury's shift from paper checks to electronic payments. He also commended the request for information (RFI) issued by the OCC, the Federal Reserve System (FRS), and the FDIC, which seeks input on potential actions to address payments fraud.

Mr. Spear discussed the FRS's operational role in payments and how fraud undermines trust in the payments system. He noted a large increase in check fraud in recent years. He explained that payments fraud can involve checks, automated clearing house or ACH transactions, wires, and instant payments. He outlined potential areas for improvement identified during preparation of the RFI, including: 1) external collaboration among industry; 2) consumer, business, and industry education; 3) potential regulatory or supervisory changes, including with regard to Reg CC, which governs funds availability and the collection of checks; 4) payments fraud data collection and information sharing; and 5) FRS operation tools and services that can assist financial institutions in fighting fraud.

Mr. Spear said that the bank regulators received 220 comments on the RFI from a broad range of stakeholders, of which about 150 comments were from financial institutions of all sizes. He stated that some initial themes from the comments included: 1) stakeholders seek more consistent and clear language to describe different types of fraud and scams; 2) more collaboration and coordination would be helpful, beyond the financial services industry; and 3) more education at all levels should be provided, including for financial participants and small businesses.

Ms. Greisman led a discussion after the panel presentations, in which Mr. Spear highlighted the need for more consistent language to talk about fraud.

Ms. Greisman asked Mr. Anchin to discuss the driving factor behind fraud losses exceeding loan losses.

- Mr. Anchin noted that fraud losses exceeding loan losses has been driven in part by increasingly sophisticated fraud and scams, and the use of AI, which is making it harder to detect them. He said that the rise in check fraud is another driving factor. He noted the importance of increased collaboration, including with law enforcement, and he highlighted the need for supervisory intervention to address the large number of mule accounts, which refers to bank accounts used to launder illegally acquired funds with or without the accountholder's knowledge of the role they are playing in the fraud.

Secretary Chavez-DeRemer asked about the prevalence of senior scams and discussed the need for more education as consumers transition to digital services.

- Mr. Anchin discussed the success of community banks with person-to-person interactions and highlighted the importance of building community networks of trust.

Mr. Calabria discussed the CFPB's current rulemaking regarding [Section 1033 of the Dodd-Frank Act on Personal Financial Data Rights Reconsideration](#) and asked how this rule, when finalized, could reduce screen scraping and encourage the financial industry to use more application programming interfaces (APIs), potentially reducing payment fraud.

- Mr. Anchin noted that it can be burdensome for certain banks to provide consumer data through APIs.

**Luke Pettit, Acting Under Secretary for Domestic Finance, Treasury, and Moderator** stated that the second panel would focus on implementation of Executive Order 14247 on modernizing federal payments and would be moderated by Renata Miskell, Deputy Assistant Secretary for Accounting Policy and Financial Transparency in the Office of the Fiscal Assistant Secretary at Treasury.

### **Panel Discussion on "Implementation of Executive Order 14247 on Modernizing Federal Payments"**

- Joshua Quill, Senior Advisor to the Secretary, VA

- Matthew Bilenki, Director, Finance and Management, SSA
- Denise Davis, Director, Return Integrity Verification Program Management, IRS

Ms. Miskell highlighted the benefits of modernizing federal payments and the implementation of the recent [Executive Order 14247](#) directing Treasury to stop issuing paper checks by September 30, 2025 and transition to electronic payments to the extent permitted by law. She highlighted the benefits of electronic payment options, such as enhanced security, faster access to funds, lower costs for taxpayers, and greater financial access. She said that more than 96 percent of federal payments are currently issued electronically and she noted that the federal government is executing a government-wide strategy to reach the public and scale back check operations for the remaining paper check payments.

Ms. Miskell highlighted Treasury's success partnering with federal agencies to finalize transition plans, update processes, and communicate with payees on phasing out paper checks. She said that Treasury had already processed more than 184,000 electronic enrollments on behalf of benefit agencies and was piloting new payment delivery methods such as smartphone deposits, prepaid debit cards, and digital wallets. She noted emerging threats that can impact a safe transition to digital payments, such as the rise of government impersonation scams, and she discussed the need for increased public awareness.

Ms. Miskell stated that 85 percent of paper checks are issued by three agencies, the VA, the SSA, and the IRS. Other panel members highlighted the efforts of these agencies to implement the modernizing payments EO.

Mr. Quill talked about the risks paper checks pose to veterans, as checks are more likely to be lost, stolen, or manipulated. He stressed that checks are expensive, both for agencies and recipients, and he said that on average, an unbanked person spends roughly \$40,000 in check cashing fees over their lifetime. He said that in December 2019, the VA identified over 185,000 unbanked veterans, and in response, partnered with the Association of Military Banks of America (AMBA) to create the Veterans Benefits Banking Program (VBBP), to offer low or no cost accounts for direct deposit of VA benefits. He described the program's outreach efforts to unbanked veterans, including monthly benefit check inserts, quarterly letters, partnering with Veteran Service Organizations, and advertising on VA digital platforms, among others. He stated that between FY 2023 and FY 2025, the VA had reduced payments by 1.3 million, which corresponds to a 50 percent decrease in check payments. He said that in FY 2025, Electronic Funds Transfer (EFT) transactions accounted for over 98 percent of all VA payments. He highlighted how the VA was focusing on assisting the remaining 18,000 veterans who are reluctant to switch to EFT.

Mr. Bilenki noted that in FY 2024, 99.13 percent of SSA's 895 million benefits payments were made electronically, so the SSA was focused on reaching the 692,000 individuals still receiving monthly benefits by paper check. He described how the SSA sent outreach letters, both paper and electronic, to all paper check recipients in July and a letter in September to the 250,000



recipients who have received paper checks for less than two years. He stated that the SSA had seen a 41 percent conversion rate from direct outreach efforts. He also described national messaging efforts such as requiring electronic payments for new SSA claims.

Ms. Davis stated that in recent years, while 91.5 percent of individual taxpayers filed with direct deposit information, only 4 percent of businesses received direct deposit, and she said that the IRS was changing their business tax forms to capture direct deposit information. She noted that about 800,000 direct deposits from the IRS are rejected by financial institutions annually and indicated that this is another area of focus for the IRS. She discussed how the IRS was making the public aware of these changes through press releases, website content, and frequently asked questions, and also leveraging its relationship with the tax industry, including software providers and tax practitioners. She noted that the IRS was also expanding refund options for customers to include the use of reloadable debit cards, and accounts associated with digital payments. She noted that the IRS was partnering with Treasury's Bureau of the Fiscal Service (BFS) to launch and enhance existing tools to reach populations like international taxpayers and trustees, and to address issues related to bankruptcy cases.

Ms. Davis underscored that any changes would impact tax year 2025 and would be implemented starting in January 2026. She said the IRS would send letters to individuals asking them to update their banking information if they do not provide it on their tax return or if it is rejected by a financial institution, or to provide information for an exception and waiver. She noted that tax refunds would be held for up to six weeks before paper checks are issued. She noted that IRS employees would not be personally intaking direct deposit information to protect taxpayer financial information. She said that the IRS would continue to work on international refunds and amended tax returns beyond 2026. She also noted that there may be mid-year adjustments announced in the summer of 2026.

Ms. Miskell asked the panel to share feedback their agencies have received from those most affected by the transition.

- Mr. Quill said that the VA continues to provide outreach and education about the benefits of switching to electronic payments to elderly veterans and veterans that face challenges moving to electronic banking.
- Mr. Bilenki said that outreach and communication to the public is important and he noted that SSA would not stop issuing paper checks for beneficiaries who do not have the means to receive electronic payments.
- Ms. Davis noted that many taxpayers depend on their tax refund and want to make sure they can receive it, even if they cannot participate in direct deposit. She highlighted the importance of providing education and raising awareness about the changes taxpayers can expect in 2026.

Following the discussion, Jennfier Leach of the FTC asked how agencies were planning to address the risk of government imposter scams.

- Ms. Miskell described how BFS was taking down spoof sites, conducting dark web security activities, sharing information between agencies, and communicating with financial institutions.
- Mr. Quill discussed the importance of educating the public and he noted that the VA was working to make its systems as safe as possible.
- Mr. Bilenki said the SSA would continue to conduct direct outreach to increase the conversion rate to digital payments.
- Ms. Davis discussed the importance of monitoring for potential identity theft, civil fraud, tax refund fraud, and scams and schemes, to safeguard payment integrity. She said that the IRS continues to share information with its partners to protect American taxpayers.

Mr. Calabria asked FLEC-represented agencies to share any relevant activities being undertaken by their agencies.

- Ms. Leach said that the FTC provides resources to help federal agencies respond to scammers distributing fake government information.
- Ms. Ortiz shared FDIC resources to help consumers [get banked](#) and highlighted a [town hall](#) that focused on protecting older adults from scams and fraud conducted in partnership with the CFPB and the SEC.
- Ms. Campbell discussed resources available at [federalreserve.gov](#) under the Consumers & Communities tab, and [federalreserveconsumerhelp.gov](#), where consumers can find consumer alerts and submit complaints.
- Mr. Pettit encouraged FLEC-represented agencies to continue to share public information and updates related to the implementation of the modernizing payments EO for inclusion in FLEC's official website, [MyMoney.gov](#).

## **Conclusion**

Mr. Calabria adjourned the meeting at approximately 11:34 AM.