



**Financial Literacy and Education Commission (FLEC) Public Meeting
MINUTES**

April 10, 2024, 1:00 PM – 2:45 PM (Eastern Time)

FLEC Members Meeting (virtual)

Treasury Webcast: [Link](#)

ATTENDING MEMBERS

1. Department of the Treasury (Treasury) (Chair)
 - Laurie Schaffer, Acting Assistant Secretary for Financial Institutions, Designee for Secretary of the Treasury Janet Yellen
2. Consumer Financial Protection Bureau (CFPB) (Vice Chair)
 - Rohit Chopra, Director
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, Associate Director, Customer Outreach, Customer Education and Outreach
5. Department of Agriculture (USDA)
 - Jessica Turner, Agricultural Economist/Program Specialist Community and Economic Development
6. Department of Defense (DOD)
 - Andrew Cohen, Director, Office of Financial Readiness
7. Department of Education (ED)
 - Richard Cordray, Chief Operating Officer, Federal Student Aid
8. Department of Health and Human Services (HHS)
 - Gretchen Lehman, Lead Social Science Analyst, Office of the Assistant Secretary for Planning and Evaluation
9. Department of Housing and Urban Development (HUD)
 - Terry Carr, Acting Associate Deputy Assistant Secretary, Housing Counseling
10. Department of Interior (DOI)
 - Onna LeBeau, Director, Office of Indian Economic Development
11. Department of Labor (DOL)
 - Ali Khawar, Principal Deputy Assistant Secretary, Employee Benefits Security Administration
12. Department of Veterans Affairs (VA)
 - Cheryl Rawls, Executive Director, Outreach, Transition, and Economic Development Veterans Benefits Administration
13. Federal Deposit Insurance Corporation (FDIC)
 - Martin Gruenberg, Chairman, Federal Deposit Insurance Corporation

14. Federal Emergency Management Agency (FEMA)
 - Amanda Smith, Deputy Director, Individual and Community Preparedness Division
15. Federal Housing Finance Agency (FHFA)
 - Jessica Shui, Supervisory Economist
16. Federal Trade Commission (FTC)
 - Rosario Mendez, Assistant Director, Division of Consumer and Business Education
17. General Services Administration (GSA)
 - Marietta Jelks, Product Manager, USAGov
18. National Credit Union Administration (NCUA)
 - Onjil McEachin, Director for the Division of Consumer Affairs
19. Office of the Comptroller of the Currency (OCC)
 - Micheal Hsu, Acting Comptroller of the Currency
20. Office of Personnel Management (OPM)
 - Patricia Sapol, Senior HR Specialist, Benefits Officers Development and Outreach, Retirement Services
21. Securities and Exchange Commission (SEC)
 - John Moses, Deputy Director, Office of Investor Education and Advocacy
22. Small Business Administration (SBA)
 - John “Jack” Bienko, Senior Innovation Advisor
23. Social Security Administration (SSA)
 - Jeffrey Buckner, Acting Deputy Commissioner, Office of Communications
24. White House Domestic Policy Council (DPC)
 - Sophie Sahaf, Director of Economic Mobility

PRINCIPAL REMARKS

- Martin Gruenberg, Chairman, FDIC
- Michael Hsu, Acting Comptroller, OCC
- Angelyque Campbell (on behalf of Governor Michelle Bowman), Associate Director and Community Affairs Officer, FRB
- Richard Cordray, Chief Operating Officer, Federal Student Aid, ED

PRESENTERS

Panel Discussion on “Barriers that New Americans Face in Accessing Financial Services and Products and Best Practices to Promote Access”, moderated by Sonia Lin, Senior Fellow, CFPB

- Erica Bouris, Senior Director, Economic Empowerment, International Rescue Committee
- Nicole Cabanez, Skadden Fellow, National Consumer Law Center
- Al Uribe, First Vice President, BSA Officer, Head of Financial Crimes Compliance, Amalgamated Bank
- David Berenbaum, Deputy Assistant Secretary for Housing Counseling, U.S. Department of Housing and Urban Development

Spotlight on “Access to Financial Services and Products for Muslim and Arab Americans”, moderated by Sophie Sahaf, Director of Economic Mobility, White House Domestic Policy Council

- Stakeholder Perspectives
 - Ali Khan, President, and Operator, Digixan.com
 - Dr. Debbie Almontaser, Board Vice President, Yemeni American Merchants Association
 - Mehrnoush Yazdanyar, Esq., Yazdanyar Law Offices, Inc.

GENERAL SESSION

Welcome and Overview

Suzanna Fritzberg, Deputy Assistant Secretary, Treasury’s Office of Consumer Policy, and Moderator, opened the meeting at approximately 1:00 PM and delivered opening remarks.

Laurie Schaffer, Acting Assistant Secretary for Financial Institutions, Treasury, Designee of Secretary of the Treasury Janet Yellen, Chair

Acting Assistant Secretary Schaffer recognized April as National Financial Capability month, to highlight the importance of trustworthy, accessible information and robust consumer protections to help households build financial security. She noted that Second Chance Month is also observed in April, to recognize the numerous financial challenges that justice-involved individuals face.

Acting Assistant Secretary Schaffer noted that New Americans, including immigrants and refugees, face multiple barriers when accessing mainstream financial services, and highlighted the efforts across Federal agencies to expand language access for consumers. Ms. Schaffer noted the importance of having access to financial services for ensuring financial security, building household wealth, and closing the racial gap. She concluded her remarks by mentioning the work of the recently launched White House Task Force on Islamophobia, which seeks to promote access to financial services and products for Muslim and Arab Americans.

Rohit Chopra, Director, CFPB, Vice Chair

Director Chopra noted that New Americans and immigrants face multiple barriers when accessing and navigating the banking system, including discriminatory and predatory practices by financial institutions.

Director Chopra also talked about digital redlining and other forms of discrimination and noted that the CFPB is taking action under the Fair Credit Reporting Act (FCRA) to address the exploitation of consumer data.

Martin Gruenberg, Chairman, FDIC

Chairman Gruenberg commended the FLEC for focusing attention on access to financial products and services for New Americans, and Muslim and Arab Americans, and noted that financial inclusion is a core priority for the FDIC. He emphasized that the unbanked rate remains higher for particular groups and cited findings from the FDIC’s National Survey of Unbanked and Underbanked households indicating a higher unbanked rate among Black, Hispanic, and foreign-born non-citizen unbanked households.

Chairman Gruenberg said that proof of identification is a significant barrier when trying to open a bank account, primarily for foreign-born non-citizens. He said that accepting municipal IDs as a form of government identification is considered a promising strategy to address this issue. Mr. Gruenberg also spoke about the limited availability of lending products that meet certain Islamic banking standards and said that the FDIC will continue to expand awareness of existing products that meet those standards. Mr. Gruenberg also highlighted the lack of familiarity with the U.S. banking system as an additional reason for the gap and emphasized the need for more financial education and economic inclusion resources. He noted that many FDIC resources are available in multiple languages.

Michael Hsu, Acting Comptroller, OCC

Acting Comptroller Hsu stated that immigrants are important drivers of our economy through entrepreneurship and innovation, and highlighted ways in which banks can draw New Americans into the financial system. He spoke about expanding services in languages other than English and exploring innovative ways to support account opening by accepting more forms of identification and taking a risk-based approach to customer due diligence.

Acting Comptroller Hsu discussed various economic opportunities available to immigrant families, including home ownership, and noted that a handful of lenders are providing mortgage financing for residents with Individual Tax Identification Numbers. He also said that some banks offer products that enable Muslim consumers to purchase homes without taking on a traditional mortgage.

Angelyque Campbell, Associate Director and Community Affairs Officer, FRB

Ms. Campbell spoke about the financial experience of immigrant small business owners and highlighted findings from the Small Business Credit Survey (SBCS), an annual survey of firms with fewer than 500 employees. She noted that findings from the most recent survey showed that only 10 percent of majority immigrant-owned firms reported their current financial condition as being excellent or very good compared to 20 percent of non-minority-owned firms.

Ms. Campbell added that immigrant-owned firms were also less likely to be fully approved for a loan, line of credit or emergency cash advance. She stated that 61 percent of majority immigrant-owned businesses reported having to finance their business with personal funds compared to 52 percent of non-immigrant-owned firms.

Richard Cordray, Chief Operating Officer, Federal Student Aid, ED

Mr. Cordray talked about the importance of Federal Student Aid for New Americans, including immigrants and refugees, seeking new opportunities through higher education. He said that the first step is completing the Free Application for Federal Student Aid (FAFSA) form to unlock federal grants, loans, and work study opportunities.

Mr. Cordray noted that many people, including New Americans, remain unaware about this source of financial aid or think that they will not qualify. He asked FLEC agencies to help spread the word about the FAFSA to make higher education and career training accessible to New Americans.

Panel Discussion on “Barriers that New Americans Face in Accessing Financial Services and Products and Best Practices to Promote Access”, moderated by Sonia Lin, Senior Fellow, CFPB

Panelists:

- Erica Bouris, Senior Director, Economic Empowerment, International Rescue Committee
- Nicole Cabanez, Skadden Fellow, National Consumer Law Center
- Al Uribe, First Vice President, BSA Officer, Head of Financial Crimes Compliance, Amalgamated Bank
- David Berenbaum, Deputy Assistant Secretary for Housing Counseling, U.S. Department of Housing and Urban Development

Ms. Lin framed the conversation by noting that New Americans (which includes foreign-born naturalized citizens, green card holders, visa holders, and other immigrants) account for 13.9 percent of the U.S. population and are an important population to consider in efforts to promote financial access and financial well-being.

Erica Bouris, Senior Director for Economic Empowerment, International Rescue Committee (IRC)

Ms. Bouris noted that the IRC serves thousands of new immigrants with very low incomes and limited English proficiency, representing 140 countries through a wide range of economic inclusion services. She said that they continue to see consumers having challenges opening bank accounts due to insufficient documentation, which has been exacerbated by the increasing diversity in the types of IDs among immigrant communities. She noted the importance of expanding access to linguistically and culturally accessible services for New Americans, as well as the need for financial education about credit and help establishing and building credit.

Ms. Cabanez discussed how new American consumers are harmed when they are not able to fully understand financial transactions, and the need for more language access in the banking system. She added that these consumers are vulnerable to abuse and exploitation, which in turn leads to mistrust in the system and reliance on alternative high-cost services. Ms. Cabanez spoke about the need for an integrated approach that goes beyond providing translated contracts and disclosures and includes offering oral interpretation and language accessible notices, disclosures, and statements.

Mr. Uribe stated that Know Your Customer (KYC) compliance represents the biggest barrier for New Americans seeking to open a bank account. He noted that other barriers include limited language proficiency, lack of understanding of the U.S. financial system, and limited credit history. He added that cultural differences can also lead to mistrust of the system. Mr. Uribe talked about Amalgamated efforts to meet the needs of New Americans, by offering cultural sensitivity training to their staff, offering financial literacy training, offering credit building products, and accepting municipal ID, Mexican consular ID, and foreign passports as primary identification.

Mr. Berenbaum talked about HUD’s commitment to help New Americans find safe, permanent, and affordable housing. He mentioned that HUD’s Housing Counseling program is partnering with refugee and resettlement organizations and collaborating with other federal agencies such as the U.S. Citizenship and Immigration Services (USCIS) to expand access to HUD’s programs

and services. He noted that HUD is expanding language access to services by providing interpretation services in over 200 languages.

Mr. Berenbaum stressed the importance of working with trusted housing counseling partners that have cultural and housing expertise and can offer culturally responsive and linguistically appropriate services to New Americans. Mr. Berenbaum also mentioned the importance of offering mortgage products for homebuyers with an Individual Taxpayer Identification Number (ITIN) and making mortgage transaction documents available in multiple languages. He also talked about HUD's efforts to address housing discrimination against New Americans.

Ms. Lin closed the discussion by stating that the CFPB recently released glossaries in multiple languages to ensure consistency in translations of consumer financial education materials.

During the Q&A portion of the discussion, Ms. Fritzberg asked: *What is the best way to build trust with this community and the best way to inform immigrants and refugees about resources?*

Mr. Uribe noted that having staff that share cultural affinity with customers can help with that initial barrier as well as showing empathy and understanding of the challenges these customers face.

Ms. Bouris highlighted the importance of understanding cultural and linguistic differences. She emphasized that many newcomers come from places where there is little trust in financial institutions.

Mr. Berenbaum noted that lack of trust and certainty about federal programs such as Treasury's Emergency Rental Assistance Program was a challenge during the pandemic. Housing counselors had to explain programs, translate forms, help with applications, and assure clients that the benefits were legitimate.

Elizabeth Ortiz, Deputy Director of Consumer and Community Affairs at the FDIC, discussed the efforts of the FDIC's Alliance for Economic Inclusion, which brings together banks, community-based organizations, and state and local governments to address the needs of underserved communities.

Jessica Shui, Supervisory Economist at the FHFA, stated that the FHFA had added an updated Supplemental Consumer Information form to its website. The form is used to collect information on homeownership education and housing counseling and/or language preference to help lenders better understand the needs of borrowers during the home buying process.

Issue Spotlight: "Promoting Access to Financial Services and Products for Muslim and Arab Americans", moderated by Sophie Sahaf, Director of Economic Mobility at the White House Domestic Policy Council.

Stakeholder Perspectives:

- Ali Khan, President, and Operator, Digixan.com
- Dr. Debbie Almontaser, Board Vice President, Yemeni American Merchants Association
- Mehrnoush Yazdanyar, Esq., Yazdanyar Law Offices, Inc.

Ms. Sahaf thanked the FLEC members for offering a platform to consumers that have experienced challenges with financial access. She spoke about the White House initiative that seeks to respond to barriers faced by Muslim and Arab Americans, in particular barriers related to the way financial institutions implement certain compliance obligations. Ms. Sahaf mentioned that New Americans, justice-involved individuals, and other low-income consumers executing transactions primarily with cash, may face similar challenges.

Mr. Khan discussed the challenges that some Muslims face with financial institutions, which can result in delayed transaction processing, account closures, and other negative consequences. Mr. Khan observed that banking issues can arise from having a popular Muslim name, triggering compliance barriers that must be addressed before transactions can be completed.

Ms. Yazdanyar spoke about her experience as a lawyer helping clients from sanctioned countries, particularly Iranian Americans, understand the regulations that affect them. She explained that sanctions can affect American legal residents and citizens when trying to move assets they own or have inherited between the sanctioned country and the U.S. and can result in bank account closures and lead to serious financial consequences.

Dr. Almonstaser spoke about practices employed by certain banks that can have negative implications for non-profit organizations.

FLEC Member Updates

Suzanna Fritzberg, Treasury

Ms. Fritzberg updated the FLEC on the financial inclusion strategy that Treasury has been tasked by Congress to develop. She said that Treasury intended to publish concrete objectives and recommendations to promote a safe, healthy financial system that provides the infrastructure to ensure all households can meet their financial needs and achieve their financial goals.

Melanie Devoe, CFTC

Ms. Devoe spoke about an emerging type of romance fraud known as “pig butchering,” which has resulted in \$3.5B in losses, according to data from the FBI. Ms. Devoe explained that fraudsters develop a close relationship with the victim over time, leading them into investment fraud schemes often involving FOREX or cryptocurrency. She added that this type of fraud is carried out by organized criminal gang syndicates and many of the victims are non-English speakers. Ms. Devoe asked the FLEC to help raise awareness.

Liz Ortiz, FDIC

Ms. Ortiz said that the FDIC recently published an economic inclusion strategic plan that is available on [FDIC.gov](https://www.fdic.gov). Ms. Ortiz noted that the plan seeks to help low-to-moderate income households, underserved, unbanked and underbanked households access financial services and achieve financial stability. She added that the plan encourages the banking industry to contribute more to community development and building strong communities.

Rosario Mendez, FTC

Ms. Mendez stated that the FTC’s mission is to protect all consumers, including immigrant consumers, by offering materials in multiple languages and partnering with trusted organizations in the community. Ms. Mendez announced that the FTC is now able to receive reports for

investigations in multiple languages and has information on consumer rights and how to spot and avoid frauds and scams available in 12 languages at [FTC.gov/languages](https://www.ftc.gov/languages).

Andrew Cohen, DOD

Mr. Cohen commented that bank account closures and denied payments affecting small businesses that are part of the DOD and other Federal government network of suppliers can negatively impact the Federal government's ability to provide the services needed to perform its mission.

Closing Remarks

Ms. Fritzberg reminded participants to share information they would like posted on [MyMoney.gov](https://www.mymoney.gov) for National Financial Capability Month and Second Chance Month.

Conclusion

Ms. Fritzberg adjourned the meeting at approximately 2:45 PM.