United States Senate
WASHINGTON, DC 20510

July 15, 2009

The Honorable Arne Duncan
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, D.C. 20202

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Duncan and Secretary Geithner:

We are writing to make recommendations for the implementation of the requirements in Section 510 of the Credit Card Accountability, Responsibility, and Disclosure (CARD) Act of 2009 (P.L. 111-24). We believe that the strategic plan called for in the Credit CARD Act provides an excellent opportunity to revise the national strategy as called for annually in Title V of the Fair and Accurate Credit Transactions (FACT) Act of 2003 (P.L. 108-159), the authorizing legislation for Financial Literacy and Education Commission (FLEC).

We request that the Departments of Education and the Treasury in coordination with the President's Advisory Council on Financial Literacy retain an outside entity, such as a consultancy or not-for-profit agency, in order to provide the evaluation required under Section 510(a). Given that federal financial and economic literacy education efforts are conducted by the Department of Education, Department of the Treasury, President's Advisory Council on Financial Literacy, and other federal entities, an outside entity would be best suited to objectively assess these federal programs. Indeed, in a December 2006 report evaluating FLEC, the Government Accountability Office (GAO) recommended the independent evaluation of the effectiveness of federal financial literacy efforts in contrast to a reliance on agency self-assessments.

We also request that as you work to address Section 510 requirements that you refer to GAO reports and testimony that evaluate financial literacy efforts and FLEC's progress. In particular, we strongly urge the development of goals, performance measures, and benchmarks in order to facilitate the implementation and assessment of FLEC's work as is recommended by GAO.

Additionally, we encourage you to reference hearings on the topic of financial literacy conducted by the Senate Homeland Security and Governmental Affairs Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia that were held on April 30, 2007, and April 29, 2009. In their testimony and responses to questions, the witnesses at these hearings provided information that is helpful to consider in fulfilling Section 510 requirements.

Thank you very much for your attention to this matter. We look forward to continuing to work with you to ensure that the federal financial literacy strategy is substantially improved and successfully implemented.

Sincerely,

DANIEL K. AKAKA
U.S. Senator

CHRISTOPHER J. DODD
U.S. Senator

PATTY MURRAY
U.S. Senator

CC: Charles Schwab, Chairman, President's Council on Financial Literacy
Michael S. Barr, Assistant Secretary for Financial Institutions, U.S. Department of the Treasury
James H. Shelton, III, Assistant Deputy Secretary for Innovation and Improvement, U.S. Department of Education
Michelle Greene, Deputy Assistant Secretary for Financial Education, U.S. Department of the Treasury