



PRESS RELEASE

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FDIC Advisory Committee to Address Children's Savings and Underserved Consumer Studies

FOR IMMEDIATE RELEASE

The FDIC Advisory Committee on Economic Inclusion (ComE-IN) will meet on Tuesday, November 16, to discuss children's savings programs and recent studies of underserved consumers. The meeting will be open to the general public and the media.

Several countries, including Canada, Singapore, and South Korea, offer government-sponsored children's savings programs. These programs often feature funding matches and are sometimes targeted to children in low- and moderate-income (LMI) families. U.S. interest in children's savings accounts is growing, particularly as a way to fund secondary education expenses for children in LMI families, and pilot programs are on the rise. For example, one U.S. pilot of children's savings accounts showed that despite significant poverty levels and limited financial knowledge, average participants will have saved enough from birth to age 18 to cover two years of tuition at a community college at today's prices.

"International programs and pilot programs in the U.S. have shown that children's savings accounts can be a great way to instill a habit of saving and can help young people build a savings cushion for the future," said FDIC Chairman Sheila C. Bair. "I am especially interested in hearing the Committee members' views about how the FDIC can advance the children's savings account concept for LMI and underserved families in the United States."

The Committee also will discuss several recent niche market and geographical studies of underserved consumers that add further depth to the FDIC's initial, landmark



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household study on unbanked and underbanked households administered by the Census Bureau in 2009, which showed that more than one-quarter of U.S. households—or 60 million adults—do not take full advantage of the financial mainstream. The FDIC's second household survey is scheduled to be conducted by the Census Bureau during 2011, and results are expected to be available in 2012.

In addition, the Committee will be briefed on the status of various FDIC policies and projects, all intended to expand access to the financial mainstream—including the FDIC Safe Accounts Pilot, which was approved by the FDIC Board of Directors in August 2010, and a new Committee-directed work stream on safe mortgage products for LMI consumers. Other current topics of interest also will be discussed.

The meeting will be held from 8:45 a.m. to about 4:30 p.m. in the FDIC Board Room, located on the sixth floor of the FDIC headquarters building at 550 17th Street, N.W., Washington, D.C. To view the meeting agenda, visit <http://www.fdic.gov/about/comein/agendaNov2010.html>.
