

U.S. SENATOR BOB CASEY



CHAIRMAN Special Committee on Aging

Chairman Bob Casey's Opening Statement
“Unbanked and Credit Invisible: Building Financial Inclusion for America's Underserved Populations”
March 17, 2022

Good morning, the hearing will come to order. Today, we will examine barriers that prevent our Nation's seniors and people with disabilities from being banked, from establishing credit and building wealth.

Seniors and people with disabilities need a bank account to safely deposit their paychecks and Social Security benefits. Yet, millions of Americans, including 1.1 million older adults and 1.7 million people with disabilities are unbanked. In my home state of Pennsylvania, there are 235,000 Pennsylvanians without a bank account. Similarly, millions of Americans are credit invisible, meaning they don't have a credit history, or they have what we call a “thin” file. Many of these families live paycheck-to-paycheck or benefits check-to-benefits check. Because they are excluded from our mainstream financial system, they pay high fees for financial services such as cashing a check. They often rely on expensive alternative services to pay bills, and they are exposed to abusive lenders, and even fraud.

To address these challenges, I have introduced legislation that will provide all Americans, including those who are underserved, with opportunities to build wealth. This includes the Young American Savers Act, or S. 2206, that would provide children under the age of 18 with a savings account, putting them on a path to a stronger economic future. It also includes the Achieving a Better Life Experience Act, known as the ABLE Act, which was signed into law back in 2014. ABLE accounts make it possible for a person who acquires their disability prior to the age of 26 to save without risking loss of their federal disability benefits.

Along with Senator Moran, I am working to extend access to these vital ABLE accounts through the bipartisan ABLE Age Adjustment Act (S. 331). This important bill would allow those who acquire their disability prior to 46 years of age to save for their futures. And while we need to help all Americans find opportunities to save, we must also ensure they have the information they need, the information, to make good financial decisions. That is why, today, along with Ranking Member Scott, I am releasing this booklet, here's the title if you can't see it from a distance, "Building Financial Literacy: Information and Resources for People with Disabilities." This booklet is something I'm proud to introduce with the Ranking Member today. It is intended to help people with disabilities become banked, to build credit, manage debt and deal with other common financial issues.

And still, there are other perils in our financial system. This includes unscrupulous con artists who seek to steal seniors' hard-earned savings. Congress took an important step forward in that fight last week, with the passage of the Stop Senior Scams Act. I want to thank Ranking Member Scott and Senators Kelly and Moran for their partnership on this legislation. It became part of the spending bill, the omnibus bill last week. This effort will

provide businesses with new tools to prevent seniors from being scammed. But there is more work to do. As we will hear today, millions of Americans, millions of seniors and people with disabilities remain stranded on the sidelines of our Nation's financial system. We have a responsibility to right this wrong. I look forward to hearing more from our witnesses. Now, I will turn to our Ranking Member Scott.