



Press Releases

FDIC Advisory Committee to Discuss Principles for Low- and Moderate-Income Mortgage Lending and Supporting Financial Education

FOR IMMEDIATE RELEASE
February 24, 2011

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The Federal Deposit Insurance Corporation's (FDIC's) Advisory Committee on Economic Inclusion (ComE-IN) will meet on Wednesday, March 2, to discuss principles for low- and moderate-income (LMI) mortgage lending, and supporting financial education.

Committee members will discuss responsible ways to restore LMI mortgage lending and sustainable homeownership in the wake of the mortgage and housing crisis. Homeownership continues to be an important national priority; it promotes stable communities and contributes to the accumulation of household wealth. However, borrowers' opportunities for homeownership have diminished as the availability of mortgage credit has contracted. The market disruptions have been particularly difficult for lower-income borrowers, who have been disproportionately affected.

"We encourage banks to make a commitment to address LMI homebuyers' needs and take a holistic approach to the LMI mortgage lending process by helping LMI families prepare for, attain, and sustain homeownership," said FDIC Chairman Sheila C. Bair. "I'm looking forward to working with the Committee on developing principles that will bring back safe, responsible LMI mortgage lending practices that will keep people in their homes."

The Committee also will discuss opportunities for the banking industry to support educators in teaching financial education. Panelists will highlight recent studies that suggest a need to train teachers so they are well prepared to teach basic personal finance concepts and some of the responses to this need.

Finally, FDIC staff will brief Advisory Committee members on the status of ongoing FDIC projects intended to expand access to the financial mainstream, as well as other relevant policy issues.

The meeting will be open to the general public and the media and will be held from 8:45 to about 4:00 p.m. in the FDIC Board Room, located on the sixth floor of the FDIC headquarters building at 550 17th Street, N.W., Washington, DC. The meeting agenda can be found at <http://www.fdic.gov/about/comein/agendaMarch22011.html>, as can a link to the live Webcast on March 2.

The Advisory Committee was created by Chairman Bair and approved by the FDIC Board in November 2006 to provide the FDIC with advice and recommendations on important initiatives focused on expanding access to banking services by underserved populations. Chairing the committee is Diana Taylor, Managing Director, Wolfensohn & Company, L.L.C., who formerly served as Superintendent of Banks for the State of New York. For the list of committee members, visit <http://www.fdic.gov/about/comein/>.

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Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. The FDIC insures deposits at the nation's 7,657 banks and savings associations and it promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no tax dollars – insured financial institutions fund its operations.

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Last Updated 2/24/2011

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