

# United States Senate

WASHINGTON, DC 20510

November 10, 2021

The Honorable Janet Yellen  
Secretary  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

The Honorable Wally Adeyemo  
Deputy Secretary  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Secretary Yellen and Deputy Secretary Adeyemo:

Over the past few decades, the United States and Americans have enjoyed the benefits of a strong and growing consumer financial services system. This system has allowed millions of people to create savings accounts for retirement, apply for affordable loans, and recover from financial shocks. It has evolved using technology to reach more individuals and families than ever. The financial services sector, through federal actions like the *Community Reinvestment Act* and private sector prioritization of racial equity in hiring, has increased investment in both minority and rural communities and entrepreneurs representing those communities, who are critical to creating prosperity.

However, too many people in America still cannot equitably access, properly utilize, and successfully reap the benefits of the financial system to build short-term stability and long-term financial security. For example, 14% of American households making less than \$40,000 annually did not have bank accounts prior to the pandemic,<sup>i</sup> and one-third had no savings at all.<sup>ii</sup> During the pandemic, emergency relief programs supported millions, but the existing cracks in our financial system prevented aid from reaching some of the most vulnerable in America. When Economic Impact Payments were created, millions of Americans did not receive them. Of the 162 million individuals eligible, the Treasury Department lacked bank account information for half of these taxpayers.<sup>iii</sup> For small businesses, while federal agencies delivered much-needed relief across the country, the preexisting gaps in access to our financial institutions caused thousands of minority-owned businesses to receive Paycheck Protection Program loans late or not at all.<sup>iv</sup>

Additionally, people of color do not reap the full benefits of the United States' financial system: 58% of Black and Latino families did not have three months of emergency savings prior to the pandemic.<sup>v</sup> Financial exclusion also permeates rural communities that often exist in "banking deserts," places without physical bank branches and limited digital connectivity.

Given these challenges, we believe a whole-of-government strategy—in partnership with the financial services industry and community organizations—is a critical step to fill the remaining gaps and achieve financial inclusion in the United States.<sup>vi</sup> The necessary fact-finding and planning can begin with a new Presidential Commission at the Department of the Treasury tasked with creating a national, interagency financial inclusion strategy. Such a commission would build on the Administration’s existing actions and leadership to build an equitable economy, work that began on President Biden’s first day in office.<sup>vii</sup> It is a proposal that is not only supported by Congress, but also leaders in the private sector and civil society. By ultimately creating a national financial inclusion strategy, the U.S. would join more than 35 countries who have established similar strategies of their own.

We believe that a Commission like this should be made up of a diverse, bipartisan group of private individuals with relevant experience, including working to increase access to financial services and improve outcomes for underserved populations. The Commission should work with relevant agencies across the federal government to devise an effective national strategy.

We recommend the Commission have a four-part mandate:

1. Catalogue the federal government’s existing programs and initiatives that affect financial inclusion;
2. Catalogue existing efforts by community organizations and financial services providers to reach underserved communities and create a more inclusive financial system;
3. Evaluate how technology can be utilized to improve outcomes for underserved Americans; and
4. Devise a financial inclusion strategy for the federal government to implement in partnership with the financial services industry and community organizations.

Our hope is that this Presidential Commission will provide our government, community organizations, and the financial services sector with a holistic strategy to advance financial inclusion. This strategy will strengthen the financial wellness of households and help ensure a robust and inclusive economic recovery from the inequitable harms of the COVID-19 pandemic. Thank you for your consideration of this proposal.

CC:  
Mr. Brian Deese  
Director  
National Economic Council  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Sincerely,



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Christopher A. Coons  
United States Senator



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Raphael G. Warnock  
United States Senator



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John Hickenlooper  
United States Senator

- i “Report on the Economic Well-Being of U.S. Households in 2018 - May 2019.” *Board of Governors of the Federal Reserve System*, The Federal Reserve, [www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-banking-and-credit.htm](http://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-banking-and-credit.htm).
- ii “What Resources Do Families Have for Financial Emergencies?” Emergency Savings What Resources Do Families Have For Financial Emergencies | The Pew Charitable Trusts, PEW Research Center, 18 Nov. 2015, [www.pewtrusts.org/en/research-and-analysis/issue-briefs/2015/11/emergency-savings-what-resources-do-families-have-for-financial-emergencies](http://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2015/11/emergency-savings-what-resources-do-families-have-for-financial-emergencies).
- iii Klein, Aaron. “How to Fix the Covid Stimulus Payment Problem: Accounts, Information, and Infrastructure.” *Brookings Institute*, Brookings Institute, 9 Dec. 2020, [www.brookings.edu/opinions/how-to-fix-the-covid-stimulus-payment-problem-accounts-information-and-infrastructure/?utm\\_campaign=brookings-comm&utm\\_medium=email&utm\\_content=93694709&utm\\_source=hs\\_email](http://www.brookings.edu/opinions/how-to-fix-the-covid-stimulus-payment-problem-accounts-information-and-infrastructure/?utm_campaign=brookings-comm&utm_medium=email&utm_content=93694709&utm_source=hs_email).  
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- iv Rosenberg, Joyce M. “Minority-Owned Companies Waited Months for Loans, Data Shows.” *AP NEWS*, Associated Press, 31 Dec. 2020, [apnews.com/article/technology-small-business-new-york-coronavirus-pandemic-7613e946275f085367b5fc8c9a496aea](https://apnews.com/article/technology-small-business-new-york-coronavirus-pandemic-7613e946275f085367b5fc8c9a496aea).
- v Sims, Lebaron, and Holden Weisman. *Prosperity Now Scorecard*, Prosperity Now, Jan. 2020, [prosperitynow.org/sites/default/files/PDFs/Scorecard%202020/2020\\_Prosperty\\_Now%20Scorecard\\_Whats\\_Most\\_Important.pdf](https://prosperitynow.org/sites/default/files/PDFs/Scorecard%202020/2020_Prosperty_Now%20Scorecard_Whats_Most_Important.pdf).
- vi “Why Now is the Time for a National Strategy to Build an Inclusive Financial System. The Aspen Institute Financial Security Program. The Aspen Institute, May 2019. <https://www.aspeninstitute.org/wp-content/uploads/2019/10/Why-Now-is-the-Time-for-a-National-Strategy-to-Build-an-Inclusive-Financial-System.pdf>
- vii “Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.” *The White House*, the White House, 20 Jan. 2021. <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/>.