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Native Financial Education Policy Briefing

April 27, 2006



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Policy Priorities and Recommendations

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Policy Priorities

- 1. Institutions**
- 2. Youth financial education**
- 3. Individual Development Accounts (IDAs)**
- 4. Predatory lending**
- 5. Earned Income Tax Credit and Free Tax Preparation**



Policy Priority One: Institutions

Recommendations:

- #1** Increase funding for the CDFI Fund at the US Department of the Treasury and increase the Native set-aside to support the important role of NCDFIs in delivering basic financial services and financial education in Native communities.



Policy Priority One: Institutions

Recommendations:

- #2 Acknowledge the 'quasi-501(c)3' role played by Native nonprofits, housing authorities and tribal agencies by amending federal law and regulations to allow access to federal funds that are currently used by non-Native 501(c)3 organizations.



Policy Priority Two: Youth

Recommendations:

- #2** Provide adequate funding for schools and other programs to develop and implement youth financial education that is culturally appropriate and effective in imparting pertinent financial management lessons.



Policy Priority Two: Youth

Recommendations:

- #1 Support vehicles, like Children's Savings Accounts, that encourage young people to develop financial skills and save for durable assets.



Policy Priority Three: Individual Development Accounts (IDAs)

Recommendations:

- #1 Amend federal law to allow and encourage both tribal government agencies and Native nonprofit organizations to apply directly for IDA funding, and directly deliver IDA programs to Native communities.



Policy Priority Three: Individual Development Accounts (IDAs)

Recommendations:

- #2 Follow the lead of other successful federal and state asset-building policies by creating a Native set-aside in AFI, or other appropriate federal program, to more effectively serve the needs of Native communities.



Policy Priority Four: Predatory Lending

Recommendations:

- #1** Enact strong anti-predatory lending legislation that protects all borrowers, but allows tribal and state jurisdictions to regulate practices that specifically threaten their communities.



Policy Priority Four: Predatory Lending

Recommendations:

- #2 Support comprehensive financial education programs so Native people receive adequate information to avoid predatory lending practices.



Policy Priority Five: Earned Income Tax Credit and Free Tax Preparation Programs

Recommendations:

- #1 Give funding priority to support Native EITC awareness campaigns and free tax preparation programs such as Volunteer Income Tax Assistance, Low-Income Tax Clinics, and Tax-Counseling for the Elderly.



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Policy Priority Five: Earned Income Tax Credit and Free Tax Preparation Programs

Recommendations:

- #2 Enact legislation to provide consumer protections against the practice of issuing high-cost RALs.



Will you partner with us to make this happen?

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