

Presentation Outline for ABI Teleconferencing Press Briefing: January 23, 2003
CONSUMER SPENDING, DEBT AND BANKRUPTCY
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**FINANCIAL LITERACY,
CREDIT COUNSELING AND DEBTOR EDUCATION**

I. Need for Financial Literacy Education

- A. Literacy Levels in the United States: Who is at risk?
- B. Audiences that can benefit from financial literacy education:
 - i. Debtors in Bankruptcy
 - ii. Debtors outside bankruptcy system
 - iii. College and Graduate students
 - iv. Elementary and Secondary School Students
 - v. Families – parent/child programs
 - vi. Immigrant groups
 - vii. The elderly
 - viii. Women in Shelters
- C. Consideration of Possible Settings for providing education
- D. Program Development and Funding: Partnering Options
- E. Empiricism and its importance

F. Comparisons of literacy levels – US and abroad

II. Consumer Credit Counseling

A. Types of Counseling Available

i. Non-profit

ii. For-profit

iii. Assessment of Settings: classroom; individual sessions; telephonic; Internet

iv. Qualifications of Counselors

v. Governmental Oversight

B. Effectiveness of Counseling

C. Costs of Counseling

D. Empirical Assessments

E. Problems with existing offerings: cautions and concerns

F. Proposed Bankruptcy Legislation mandating counseling pre-bankruptcy

G. Non-US counseling activities

III. Debtor Education

A. Types of Education currently available

i. Chapter 7

ii. Chapter 13

iii. Pilot Project: Coalition for Consumer Bankruptcy Debtor Education

B. Qualifications of Debtor Educators: Assessing the providers

C. Effectiveness of post-filing debtor education

- D. Costs of Debtor Education
- E. Problems with existing offerings
- F. Proposed Bankruptcy Legislation mandating post-filing financial education
 - i. Governmental Oversight
 - ii. Funding and pro se debtors
 - iii. Implementation hurdles
 - iv. Consideration of Settings
- G. Non-US education activities

IV. Where Do We Go From Here

- A. Curriculum
- B. Teacher Training
- C. Empirical Assessment
- D. Pilot Programs and Programmatic Development
- E. Use of Innovative Technologies
- F. Quality Control
- G. Clearing House Functions
- H. Funding

V. Resources (Selected)

- A. White and Mansfield, “Literacy and Contract,” 13 Stanford Law and Policy Review

233 (2002)

B. Block-Lieb, Gross and Wiener, “Lessons from the Trenches: Debtor Education of Theory and Practice,” 7 Fordham J. of Corporate and Financial Law 503 (2002).

C. Gross, “Establishing Financial Literacy Programs for Consumer Debtors: Complex Issues on the Platter,” Book Chapter, GLOBAL PERSPECTIVES ON CONSUMER BANKRUPTCY (forthcoming Hart Publishing 2003; copy available from author)

D. Williams, GAMES CREDITORS PLAY: COLLECTING FROM OVEREXTENDED CONSUMERS (1987)

E. Braunstein and Welsh, “Financial Literacy: An Overview of Practice, Research, and Policy, Federal Reserve Bulletin, Nov. 2002

F. Books for Consumers: SURVIVING DEBT, produced by the National Consumer Law Center and MONEY TROUBLES, published by Nolo Press.