

Financial Reform Field Hearing

“Bringing Accountability and Transparency to Wall Street”

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Good morning Senator. Thank you for allowing us to speak today.

My name is Pioquinto “Skip” Voluntad and I am a resident of Philadelphia. I have served as a member of the AARP Pennsylvania Executive Council and continue as an activist volunteer. I am currently the Director of New Populations, Inc., serve as Chairman of the Asian Advisory Committee for the Philadelphia Corporation for Aging and I also serve as a Senior Advisor for the Pan Asian Association of Philadelphia. I have recently ended a six year commitment serving as an Executive Board Member of the United Way of Southeastern Pennsylvania.

AARP is strongly committed to protecting seniors and their families’ financial security and is working diligently with members of both sides of the aisle on a financial reform package that will prioritize the needs of consumers and investors and not those of financial institutions that caused millions of Americans to lose their retirement dreams. As a member of AARP and a senior activist, I travel across the state frequently and meet many seniors who tell me the many ways in which the recent economic downturn has affected them. Many years ago, I too suffered through an economic downturn and was unemployed after many years of service and found myself having difficulty finding work again. It is because of my personal experience those many years ago that I empathize with the people whose stories I wish to share with you today.

Many seniors are suffering. Reckless behavior by big banks, mortgage lenders and credit card companies has cost millions of Americans their jobs, their retirement savings, and their financial well-being. Over the last three years, older Americans have lost billions of hard earned dollars due to the failure of an outdated and compromised financial regulatory system. I have talked to seniors who are unable to remain in their homes due to the housing crisis and who have found themselves virtually destitute because they have difficulty re-entering the work force as an older worker. I spoke with seniors who have seen losses in their hard earned nest egg because of the reckless behavior on the part of bad actors or because they were not warned of the risks involved in the investment products they are buying. Others are facing bankruptcy because of medical bills or are unable to afford health insurance through their employer.

Let me highlight only a few of the stories that AARP members have shared. Helen Wamsley and her husband of Greensboro PA are 50+ homeowners with a mortgage, and dangerously close to foreclosure. Unemployed since December 2007, they are delinquent on their mortgage payments. They suffered devastating losses to their retirement savings. They have been forced to cut back on their groceries, the number of meals per day that they eat, and even on their heating costs.

Mrs. Raymond Delaney of Baden, PA, was retired, but has had to return to the workforce. As part of the “sandwich generation” she and her husband have a son living at home, finishing his graduate degree, who is unable to receive any financial aid. Her 83-year old mother is at the point of being unable to afford to live in her home any longer. Property taxes hikes, the huge increase in utilities, and the increase in day-to-day

living costs prohibits her mother from enjoying her "golden years". The Delaney's retirement savings have taken such a terrible "hit", that they believe it will take years to recover their losses. Mr. and Mrs. Delaney worked hard their entire lives and their situation is not the future that they had envisioned.

Ms. Janet Kirk of Chester PA became permanently disabled. A 52 year old, single mother with her youngest in college, and the oldest just graduated this year, she had managed to save a small amount each month but now she is in over her head with debt. With a mortgage and school loans, she is now using the credit cards to pay for homeowners & auto insurance and for communications charges. Her investments have lost over \$50,000. She worries what will happen to her home because her plan to pay off her mortgage early became derailed due to the loss of her investments and her disability.

Another story is that of Deborah Kaleta of Trucksville. She is 55 years old and raising 5 adopted children and a grandchild while trying to pay a fluctuating interest rate mortgage. She is currently working full time to keep her home and pay a mortgage rate that is now over 9%. Her husband who worked at the same job for 35 years is unable to retire at 62 because he has lost over 1/3 of his pension in the stock market fall. The Kaleta's do not qualify for a better rate on their mortgage because their home is over-valued.

Even those without stories like that of the Wamsley's, the Delaney's, and the Kirk and Kaleta families recognize the need for financial regulatory reform. In fact, recent AARP polling showed that Americans 50-plus— whether they are Republicans, Democrats or Independents — want Congress to establish new rules of the road that will

hold big banks accountable and crack down on abuses by credit card companies and the mortgage lending industry. AARP is strongly committed to protecting the financial security of older Americans and their families, and we will continue to urge members of both sides of the aisle to enact a financial reform package that will protect consumers, not the financial institutions. In particular, AARP is advocating for the creation of an agency dedicated solely to the protection of consumers of financial products. The agency, focused solely on consumer protection, would have authority over all consumer financial products and sales practices -- no matter what type of company is involved -- and would operate transparently so that the American public can hold them accountable. AARP also advocates removing the broker-dealer exclusion from the Investment Advisers Act so that brokers acting as investment advisers would be subject to a fiduciary standard.

Again, Senator, thank you for having me here today to share the stories of those who have suffered because of the meltdown in the current financial system. I urge you on behalf of AARP to stand up for seniors and their families and protect their financial future.