



**Testimony of Dave Berg, AARP Member, Eden Prairie
before
U.S. Senator Al Franken’s Field Hearing on Wall Street Reform**

Good Morning. I am Dave Berg of Eden Prairie and I appreciate the opportunity to share my story with you. My situation mirrors the situation of thousands of Minnesotans in my age group – and illustrates why it is so important to reform the way Wall Street operates.

I am 57 years old and looking for a job. After having spent most of my career in the IT field, I have been out of work for about 14 months. I worked for a Fortune-500 company full time until our entire department was eliminated. The jobs were outsourced to India.

Throughout my working career, I saved for retirement. I participated in pension and 401(k) plans that my former employers matched. I thought I would have a secure retirement because I was doing the right thing. My safety net grew throughout the 90s. Like most Americans, I watched my retirement accounts plummet during the 2000s as well as the latest financial crisis. While some of that nest egg has now started to grow during the last year, much of my overall retirement security is now gone.

This means that not only am I looking for a job to pay the bills – I am looking at the prospect of starting over when it comes to saving for retirement. At the age of 57, I need to again start building up a nest egg so that I can hopefully afford to retire in my seventies. This was not my plan. While I have always considered my pension and 401(k) my “last resort” money, I am now faced with the prospect of needing to use that account to pay the bills.

As a job seeker in my 50s, I am not alone. Thousands of trained professionals in my age bracket are currently looking for work – and we know that our job search will be longer and harder than that of a younger worker. Twice weekly, I meet with groups of job seekers many of whom are in the same situation as I am. While we keep our outlook positive, most of us are faced with the prospect of starting over and we are resigned to the fact that we could be working into our seventies.

The downturn of the economy, caused in part by the abuses on Wall Street, led to the loss of my retirement security. Reforming the way Wall Street operates is important to me personally because I still have a lot of saving yet to do – and I simply cannot afford another Wall Street meltdown. I need to have confidence in the markets – and I need to know that there is accountability to those who caused this financial crisis.

Through AARP, I was recently trained as a “fraud fighter” volunteer. Our role is to help older Minnesotans avoid becoming victims of financial frauds and schemes. Older consumers are targeted by crooks and unfortunately, too many elderly or vulnerable fall victim to investment fraud, charity schemes, identity theft or Medicare fraud. These crimes have increased during the economic downturn because so many Americans are looking for their “break” and fraudsters are



preying on the vulnerability that we all feel in the economy. More must be done to protect consumers from scams that take away their retirement security.

I know that I am luckier than many who suffered during the financial crisis. I have loved ones who are helping me through this time – and luckily, I did not fall prey to a Ponzi scheme or Madoff scandal.

I appreciate that the U.S. Senate has now taken a first step to crack down on abuses by Wall Street – but please know that there is more that must be done. People like me are still suffering from the economic downturn and we are fully aware every day how slow this recovery actually is.

Senator Franken, thank you again, for holding this hearing to bring attention to the issue, and thank you for the opportunity to speak today.