

To: Education & Cultural Affairs

Urging Support for LD1284: Require Personal Finance as a Separate Course to Obtain a High School Diploma

- Rent-to-own stores, same-day lenders, and check cashing centers are thriving.
- The uniformed borrowing decisions of an 18-year-old can lead to a dinged credit score which can lead to 1% more on a mortgage which can cost \$100,000 or more over a lifetime.
- The monthly payment mentality is institutionalized and marketed unchecked to our children.
- Profit and consumption driven social media is now the primary source of PF discussion and information for current and potentially future generations.
- High risk instruments such as cryptocurrencies and NFT's are thought of by young people as real investments rather than the pure gambles that they are.
- The idea that consumption leads to happiness is a destructive and omnipresent characteristic of American life.

Those were symptoms of a disease. Actions like this legislation are the cure, one that we the responsibility to provide to our students today.

And now, a sample of the most common feedback I've received from students and parents over the years (I am 100% comfortable saying that most PF teachers would report similarly):

- "I'm 25 years old, debt free, and I just opened a Roth IRA. It would have never happened if I hadn't taken your class."
- "I advised my parents on how to improve their insurance coverage!"
- "WHY ISN'T THIS REQUIRED FOR ALL STUDENTS?"

That question should not plague Maine's youth any longer. American capitalism is full of financial opportunity, but it is laced with equal or worse financial peril. I believe in history and science, English and the arts. However, none of those core subjects or anything else required for graduation helps prepare students for the realities of predatory lending, out-of-reach housing prices, the uniquely American health insurance quandary, easily accessible debt-building instruments such as credit cards and buy-now/pay-later schemes. Learning about war and literature and science are critical to our education...but learning how to keep a roof over one's head is not?

My education and foundation of thinking is economics-based, so I understand that when we add something, there is a cost, there is a trade-off. Requiring PF education has a cost, whether it's less time to teach something else, longer days or just the costs of instruction. However, the cost of not guaranteeing every Maine student the opportunity for personal financial education is staggering and, ultimately, one paid by everyone across all generations and communities.

Provide schools the time to adapt their curriculums and budgets. Utilize the expertise of organizations like Maine Jump\$tart, the Financial Authority of Maine, Next Gen Personal Finance, and others. Task our talented school officials/administrators with designing a sensible rollout which does not unfairly task already stretched teachers. Use these strategies and more to overcome obstacles but find a way to make this happen. How can we justify not taking this step for Maine's high school students based on administrative or political roadblocks? We owe current and future generations access to the tools they need to thrive under – and sometimes simply survive – America's uniquely complicated and challenging brand of capitalism.

As written, the bill will guarantee these impacts for ALL Maine high schoolers, not just the lucky 15% who have this course as a standalone graduation requirement already.

I have been involved with personal finance (PF) education for over 20 years, most of that in Maine. I have taught PF in the classroom along with economics and business, I have served on the board for the Maine Jump\$tart Coalition for Personal Financial Education, and I have designed and implemented PF teacher training events in Maine for the past six years.

Thank you for your consideration, and I look forward to the successful passage of LD1284.

Stephen Kautz  
Maine Jump\$tart Coalition for Personal Financial Education  
Portland, Maine