



STATE OF MAINE
OFFICE OF THE STATE TREASURER

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HENRY E.M. BECK, ESQ.
State Treasurer

GREGORY OLSON
Deputy Treasurer

May 10, 2023

Senator Joseph Rafferty, Chair
Representative Michael Brennan, Chair
Joint Standing Committee on Education
and Cultural Affairs

Testimony in Support of L.D. 1284, *An Act to Require Personal Finance to be Taught as a Separate Course to Obtain a High School Diploma*
Senator Daughtry of Cumberland

Chair Rafferty, Chair Brennan and Honorable Members:

We strongly support L.D. 1284 and thank Senator Daughtry for sponsoring this important bill. As a threshold matter, we hesitate to opine on curriculum policy in general and appreciate the many competing priorities this Committee must balance, and the many challenges educators and school districts face on many fronts. Typically, OST offers testimony only on proposals directly related to our specific Constitutional or statutory duties.

With this context and standard in mind, we find the reasons for requiring personal finance to be offered as a stand-alone course compelling enough to take a position on LD 1284 and submit this testimony.

By law, the Treasurer serves as an ex officio member of Maine Retirement Savings Board, a new entity created to establish and oversee the Maine Retirement Savings Program (MRSP). MRSP comes from legislation enacted in the 130th Legislature sponsored by Senator Vitelli of Sagadahoc. The mission of the Board and MRSP is to facilitate private retirement savings by private sector workers in Maine who lack access to an employment-based option. Additionally, by custom, the Treasurer serves as Chair of the Advisory Committee on Education Savings (ACES) which provides oversight and input on Maine's official 529 plan, NextGen.

Based on our work on both issues and in both roles, we report that savings both for education and retirement in Maine need continued and intense support from all angles, including and especially in education policy related to the experience of students in grades 9-12.

Specifically, we believe that Maine students face an urgent need to increase their capability for understanding ways to finance education beyond secondary school. Maine students must understand the benefits and risks of incurring unsecured debt and whether or how much such debt is necessary. Maine workers and employers must be better positioned to understand the importance, options, and methods for private retirement savings. Stand-alone courses on personal finance is a solution.



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The Legislature recently established the Maine Retirement Savings Program. The Legislature and this Committee has demonstrated strong support for Maine's 529 plan, made certain tax changes to offer relief to student loan borrowers, and increased grants and tuition assistance both at the University of Maine and the Maine Community College System.

One remaining crucial strategy has not completely been implemented: comprehensive, specific, and stand-alone personal finance education. The Department of Education and others strengthened personal finance education in Maine with 2019 law changes supported by this Committee, **but we believe Senator Daughtry's proposal to make this curriculum stand-alone is a logical next step to increase financial capability generally, increase retirement security, and empower Maine students to go on to attain credentials beyond high school with the necessary knowledge of borrowing, spending, planning, and earning.**

Thank you for your time and attention. As Senator Daughtry and the Committee continue work on L.D. 1284, we offer ourselves as a resource.

Sincerely,

A handwritten signature in black ink that reads "Henry E.M. Beck".

State Treasurer