

Subject: Support for LD 315: Personal Finance Course

Dear Representative Crockett,

Thank you for your public service in Augusta on behalf of House District 112.

I am writing to show to you and all other representatives support for LD 1069, "An Act to Add a Personal Finance Course to the State Graduation Requirements in High Schools."

I submitted this testimony both in writing and live two years ago, and I haven't edited much for this occasion. The financial and economic landscape is perhaps the most fragile and challenging we've seen in generations, and it is incomprehensible that anyone in Maine government would oppose basic financial education for all Maine students.

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 serve 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 a decade.

But that overview of experiences is not important compared to what I have learned from my students and their parents over the years. I am not going to break out compelling statistics and surveys that illustrate the need for PF education and the public's overwhelming opinion that it should be a requirement for a high school diploma. All of that is just a click away on the web. Instead, I'm going to offer just a few of the symptoms that prove the disease, a disease for which PF education is the best treatment we have and one that we owe our children.

- Elections are more than ever dominated by economic issues, and our electorate should be able to base their choices on more than just clever TV ads and misleading social media campaigns.
- Rent-to-own stores, same-day lenders and check cashing centers are runaway successful businesses in this country.
- We ask 18-year-olds to make six-figure decisions on financing higher education, but we do not provide the tools needed to responsibly make that decision; and we wonder why there is a student loan crisis.
- The uninformed 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 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 NFTs are thought of by young people as real investments rather than the speculative gambles that they are.
- The idea that consumption leads to happiness is a destructive, unfortunate, and omnipresent characteristic of American life.
- This list could go on for pages.

Finally, a sample of the most common feedback I've received from students and parents over the years (I am 100% comfortable saying that other 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?”

Unfortunately, this is what I hear from folks who did not learn about money while in school:

- “I have \$80,000 in student loans and six credit cards and a car loan. Should I get another credit card or take another loan to help me get out of this situation?”

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 learning 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. How is learning about war and literature 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 school officials/administrators with designing a sensible rollout which does not unfairly land on 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?

I am still waiting for a coherent and detailed explanation from the opposition on why Maine’s youth are still not guaranteed this critical piece of education.

We owe current and future generations access to the tools they need to thrive under – and sometimes simply survive in – America’s uniquely complicated and challenging brand of capitalism.

Thank you for your consideration, and I look forward to the successful passage of LD 1069.

Best regards,

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