

May 10, 2023

LD1284

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Good morning, Senator Rafferty, Representative Brennan and members of the Education & Cultural Affairs Committee,

My name is Siri Stinson. While I am both an IRS-certified Volunteer Tax-preparer and the Program Coordinator for the Peer-to-Peer Financial Literacy and Education Program, currently housed at the University of Maine at Farmington, I am testifying today as a resident of Wilton, drawing from my experience in both capacities. I strongly believe the language in LD1284 amending MRSA §4722, sub-§2, ¶B to reflect specifically that personal finance must be taught as a required stand-alone course for Maine high school graduates is necessary in order to ensure every student has the opportunity to learn, practice, and ideally master the tools and concepts that will help prepare them for life after high school, increase confidence in financial matters, and thereby reduce the adverse health and financial outcomes of Maine people.

Of the hundreds of college students and dozens of high school students I have spoken with since accepting this position, I have met only one who has voluntarily taken a personal finance course. That one student, an Upward Bound high school student from Maine, remarked in the group about how beneficial it had been. He explained most students hadn't taken it because it was not required, people are afraid of math, and so, especially if family culture has created shame around money topics, a class focused on money would not be desirable. His fellow Upward Bound peers agreed, noting they need the class, want the skills, are afraid to take it and, if not required, would probably avoid it due to that fear.

This sentiment has been echoed by countless college students I've met with. Frustrated exclamations are common, including "Why didn't anyone teach us about all this adulting stuff BEFORE we have to actually do it?" "My parents are stuck and don't have a clue about this stuff, they never got it either! I need to go help them!" Community members have offered similar sentiments, lamenting entering adulthood blindly and figuring it out as they go with varying degrees of success.

This is avoidable. There are so many ways to teach financial concepts experientially to help high school students move through, practice, and really internalize material. Lesson plans can be adapted for different ability levels, and tailored to specific learning styles. There are free, prepared virtual and printed resources, teacher training modules, and beneficial activity resources that have been created, tested, and offered by organizations like Jump\$tart, FAME, NCFE, and the Consumer Financial Protection Bureau, to help schools plan, prepare, and implement these courses. We are relying on our young people to become productive, healthy, contributing members of society, and have a responsibility to offer them the tools and resources they need to move forward into adulthood successfully, reducing the stigma of generational poverty, and they agree that requiring it is the only way that shift will happen.

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Dongmei Yuan, Farmington resident

**Requiring Financial Literacy course for HS Graduation**

It has been roughly a year since I started my financial literacy journey as a Peer Financial Educator based at the University of Maine at Farmington. Exposing me to the concepts and all the resources rewards me in the following ways

- Awareness of the importance of financial literacy for high school students

Ideally, no adults would regret that they missed their chances to further their education after high school due to financial issues. There are so many channels that support high school students' access to higher education, making their dreams come true, but students must know about these resources. If the myriads of scholarships, which come from communities, organizations, both state and federal government, either based on financial needs or academic merits, were presented to high school students early, they would be both economically benefited and have higher self-expectations, knowing they need not worry about lack of financial support. I regularly search for scholarships through Igrad/FAME (fame enrich org), or lists of sponsors from UMF and other reliable websites, and found out the various scholarships are ongoing all year round. More students with more opportunities to get into college and earn a degree, with less debt after graduation would, in return, also benefit communities, states, and federal governments.

- Knowledge of student loans

I was fearful of loans. There was a huge amount of pressure on my shoulders daily, affecting my mental health as well as my academic achievements. I worried about how I was going to repay the debt, wondered what options were available etc. However, with increased knowledge, my understanding of both access and repayment options for student loans has been a great discovery and experience, giving me increased peace.

- Understanding budgets and increased personal financial wellness

Financially, I am cautious. After being exposed to financial literacy, I realized good budgets can help balance my income and expenses, thus benefiting my financial wellness, mental health and physical health as well. I do not need to be so stingy and feel guilty whenever I reward myself a little bit by eating/buying something that makes me happy.

It is necessary for high school students to take financial literacy as a course not just as modules or a few loose assignments. Only if it is taught as a course will students have an overall view of what financial literacy looks like systematically. Doing it in modules is like adding patches here and there, since what is learned without full context may be forgotten easily and quickly. With more complete awareness and knowledge about financial literacy, high school students might become interested in investments, cherish their credit scores, and develop good spending habits by living within their means. If high school students take financial literacy courses seriously, they would be able to talk to parents earlier and make financial plans for higher education, including choosing a 529 college savings plan. It is a long-term investment for wellness and happiness.