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Next Gen Personal Finance

Big I Minnesota

Council for Minnesotans of
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Financial Service Profes-
sionals of Minnesota

Minnesota Association of
Health Underwriters

Minnesota Bankers Asso-
ciation

Minnesota Council on
Latino Affairs

Minnesota Credit Union
Network

Minnesota Financial
Planning Association

Minnesota Insurance
& Financial Services
Council

Minnesota Realtors

Minnesota Society of CPAs

Moneyweave Academy

The Insurance Federation
of Minnesota

The National Association
of Insurance and Financial
Advisors, Minnesota
Chapter

GUARANTEE A PERSONAL FINANCE COURSE
FOR ALL MINNESOTA HIGH SCHOOLERS

SUPPORT HF651/SF901

WHAT'S IN THE BILL?

- ✓ Requirement for high school students to take semester credit class in personal finance.
- ✓ Course can be taught by Agricultural Education, Business, Family and Consumer Science, Math, or Social Studies teachers.
- ✓ Credit will replace an elective credit or an Algebra II math credit.

WHY NOW?



Only **7%** of Minnesota high school students are guaranteed to take a personal finance course of at least one semester prior to graduation.

(NGPF 2022 State of Financial Education report:

<https://www.ngpf.org/state-of-fin-ed-report-2021-2022/>)

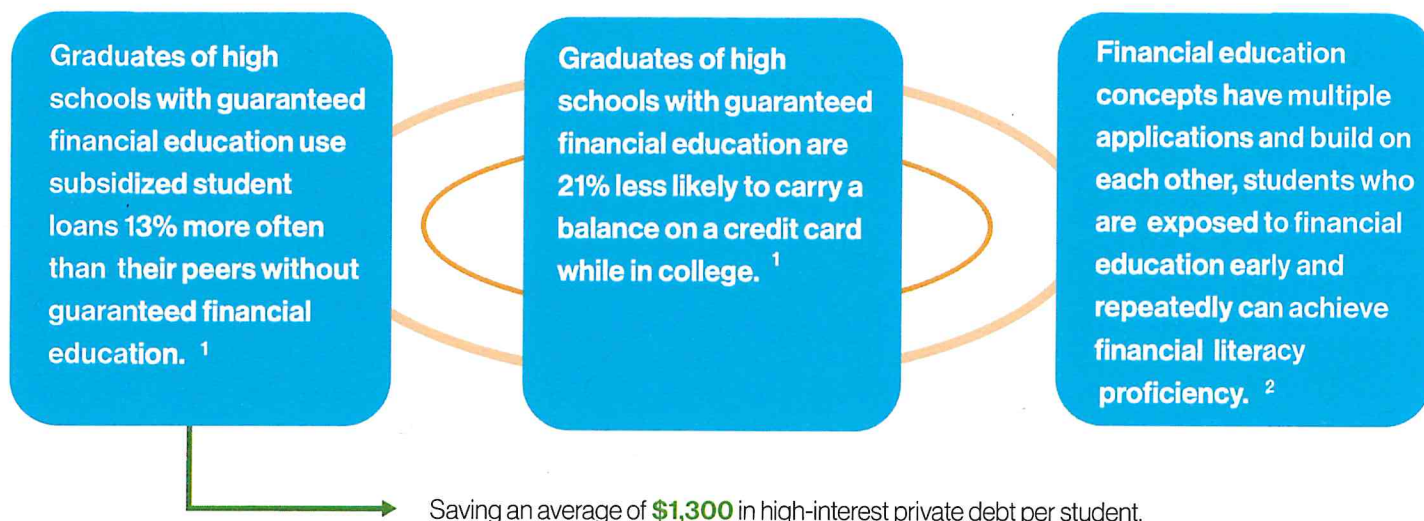
Surging momentum. 17 states guarantee all high school students take a stand-alone personal finance course. New personal finance guarantees have been celebrated by Governors of both major parties.

ALABAMA • FLORIDA • GEORGIA • IOWA • KANSAS • MICHIGAN • MISSISSIPPI
MISSOURI • NEBRASKA • NEW HAMPSHIRE • NORTH CAROLINA • OHIO
RHODE ISLAND • SOUTH CAROLINA • TENNESSEE • UTAH • VIRGINIA

Urgent need. Buy-now-pay-later, cryptocurrency speculation, and game-like investing apps are the latest trends targeting youth. **Financial education empowers youth** with critical thinking skills, and significantly improves long-term financial behaviors. **Financial literacy is a core literacy.**

Strong parental demand. Public opinion polls consistently demonstrate **80%+ support for instituting personal finance** as a stand-alone requirement for high school graduation. **82%** of Minnesota voters think all high school students should be guaranteed a course in personal finance, with **86%** believing the legislature should

BENEFITS OF A GUARANTEED PERSONAL FINANCE COURSE



Source: 1. Stoddard, C. and Urban, C. (2018). *The Effects of K-12 Financial Education Mandates on Student Postsecondary Education Outcomes*.

2. The National Endowment for Financial Education® 2016 *Summary on Enhancing Retirement Savings with School-Based Financial Education* by Annamaria Lusardi, Ph.D

STATE SPECIFIC SOLUTIONS

Respects local control. Flexible approach keeps decision making local, including decision regarding curriculum, which qualified teachers will teach the course, and what type of credit it counts towards - elective or math.

Supports College and Career Preparedness. Personal finance instruction enhances and strengthens college and career readiness education. Districts requiring a personal finance course often integrate it seamlessly with college and career readiness.

Implements course at little to no cost. FLCM partners MCEE & NGPF, and also Jump\$tart MN, will provide teacher professional development and access to free curriculum for implementing the required course.

Current training footprint in Minnesota:

These organizations have communication networks and resources, and provide professional development workshops to thousands of MN teachers each year.



The Minnesota Council on Economic Education (MCEE) works to teach teachers, engage students, and reach communities across the state with comprehensive and relevant economic and financial literacy education.

www.mcee.umn.edu



The Next Gen Personal Finance (NGPF) mission is to revolutionize the teaching of personal finance in all schools and to improve the financial lives of the next generation of Americans. www.ngpf.org



RE: In support of HF651 regarding a Required Personal Finance Course

Dear Education Policy Committee Members,

If you took a personal finance class in high school, you are one of the lucky ones. Understanding the elements of personal finance at an early age establishes a foundation for people to be more successful as adults. As a group of community leaders and financial service professionals, we see the benefits of exposure to personal finance or the detriments when it's lacking nearly every day.

Today, Minnesota high school students don't have an equal opportunity to learn personal finance skills. It's hard to imagine how the next generation will make sound financial decisions in an increasingly complex world without a solid understanding of budgeting, investing, and managing their money. The amount of personal finance instruction differs for each school district, and there is a great disparity in finance curriculums across the state. Few districts teach personal finance as a stand-alone subject, and others don't offer it at all. Some districts integrate this subject within another course, such as Business, Math, Social Studies, or Family and Consumer Sciences. And many districts offer personal finance as an elective course. This unequal access to financial education means many students are not learning how to build good financial habits that create a stable future.

The Financial Literacy Coalition of Minnesota (FLCM), in conjunction with the Minnesota Council on Economic Education (MCEE), is working to change this. In the current legislative session, a bill is being introduced by Rep. Hodan Hassan (HF0651) and Sen. Steve Cwudzinski (SF0901) to require a semester-equivalent personal finance course for high school graduation in Minnesota. This legislation will give ALL students an equal opportunity to become financially literate regardless of their school district. Providing a semester-long course will allow teachers to offer a comprehensive study of personal finance. In addition to understanding the basics of budgeting, saving, and investing, students will learn how to make informed choices about taxes, car loans, mortgages, and retirement planning.

Currently, 17 states have already passed legislation requiring a semester-equivalent course for high school graduation, with more states engaged in legislative efforts to pass similar requirements. Previous attempts to pass this legislation in our state have been unsuccessful, largely due to a lack of organized support. We are working to change that by gathering a group of dedicated Minnesotans advocating on behalf of this bill.

Passing the bill is the first step. Implementing the bill successfully will take time and money to establish curriculum and train educators. The work today could provide substantial long-term dividends in the future. How might our communities benefit when we accomplish this goal?

Imagine the following possibilities:

- Personal finance education promotes decision-making. This essential life skill teaches critical thinking, preparing students to become contributing members of society.
- A well-educated population will continue to attract business to our state, leading to more revenue and a higher standard of living.
- As access to financial literacy education becomes more equitable, the wealth gap will decrease.
- State government will spend less on public assistance programs as financially educated citizens have the skills to achieve financial stability.
- As state residents increase their incomes, tax revenues will also increase. This additional revenue will afford politicians new opportunities to lower taxes or invest in a better standard of living.
- Making meaningful investments in the next generation will enhance the reputation of our state government.
- We will be a more joyful society when people have financial stability.
- Successfully implementing the bill will enhance collaboration among legislators, educators, educational administrators, the Department of Education, the financial service community, students, and parents. They will work together to ensure that Minnesota ranks in the nation's top five financially literate states.
- Those involved in passing and implementing this legislation can take pride in helping to build a better financial future for the next generation.

To make this vision a reality, the time to act is now! According to a Public Policy Polling report in April 2022, 86% of Minnesotans want this graduation requirement to be a legislative priority. We are intent on getting a personal finance requirement in schools so that all Minnesota students have an opportunity to be best positioned to make effective financial decisions as they pursue higher education, enter the workforce, and give back to their communities.

Sincerely,

Jason Kley (jasonkley@flcmhub.com)
Financial Advisor
Co-Chair of Financial Literacy Coalition of MN
952-230-6705

Steve Lear (stevelear@flcmhub.com)
Financial Advisor
Co-Chair of Financial Literacy Coalition of MN
612-636-8223



Testimony for Minnesota Education Policy Committee Hearing

Testimony presented to Minnesota Education Policy Committee Hearing February 22, 2023

Chair and Members of the Education Policy Committee,

I appreciate the opportunity to provide testimony in support of Minnesota bill HF651 which would guarantee that all Minnesota high schoolers will cross the graduation stage with the financial skills they need to thrive in the future. Thank you Chair Cwodzinski for sponsoring this bill and for your commitment to educating the next generation in these essential skills

My name is Tim Ranzetta, Advocate for the NGPF Mission 2030 Fund, which is affiliated with Next Gen Personal Finance (NGPF), the leading financial education non-profit. Our curriculum is used by more than 75,000 educators reaching 3 million+ students in all 50 states. In Minnesota, 1,686 teachers currently have accounts on the NGPF platform while 260 teachers have participated in more than 5400 hours of professional development delivered by Next Gen Personal Finance. Importantly, all of NGPF's curriculum and PD are provided at no cost as NGPF's operations are funded by an endowment created by its co-founder.

My work has brought me into contact with some amazing educators here in Minnesota. I want to first recognize an NGPF Fellow, James Redelsheimer, a personal finance teacher at Robbinsdale Armstrong High School in Plymouth. James is one of 70 personal finance educators, selected from across the country based on their teaching ability and leadership in increasing access to financial education in their school community. James created an Economics Directory aligning NGPF resources with Economics standards that is used by thousands of teachers across the country. He's an amazing advocate for financial education at the local, state and national levels!

Our experience at facilitating multiple FinCamps in Minneapolis and through our professional development workshops, has demonstrated that Minnesota educators are passionate, qualified and committed to reach more students with this essential course. In Minnesota, 3 teachers led efforts locally to guarantee that all students in their high schools would take a personal finance course (referred to as the Gold Standard).

Kudos to:

- Patricia Lindeman of RTR Public Schools in Tyson
- Melissa Johnson of Willow River Area High School in Willow River
- Kim DeLong of Murray County Central High School in Slayton

That's the good news.

We know that in many of these cases these teachers and/or parents, students and others advocated for years to make the guarantee of a personal finance course a reality in their schools. The unfortunate news is that less than [1 in 14 students in Minnesota](#) is guaranteed today to take a personal finance course while in high school ([NGPF State of Financial Education Report](#), 2022). We cannot afford to continue to withhold this course from Minnesota high schoolers.

What we see happening in Minnesota with the introduction of SF901 is part of a larger national movement. In the last three years alone, the number of states guaranteeing financial education has grown from 5 to 17, with 2022 being the best year ever for increasing access to this essential course. Six states committed to guaranteeing all high schoolers will benefit from a one semester personal finance course in the future: New Hampshire, Michigan, Kansas, South Carolina, Georgia and Florida. Already in 2023, 16 states have introduced 58 bills, with almost all of them increasing access to financial education ([NGPF FinEd Bill Tracker](#)).

We know that there are concerns regarding how a bill like this would be implemented and funded. When the state of Minnesota passes a bill guaranteeing that all high school students complete a course in personal finance, my organization will commit to the following:

- No-cost curriculum (available now): other high quality non-profit providers such as the Minnesota Council on Economic Education (MCEE) are available so no need for textbooks
- No-cost professional development (available now) which we will deliver in partnership with MCEE. This is crucial to successfully implementing this legislation and our two organizations have the capacity and the skills to ensure teachers are confident and qualified to teach the course.



Testimony for Minnesota Education Policy Committee Hearing

- Up to a \$500 stipend for every teacher tapped to teach personal finance as a result of this legislation (estimate of \$300,000)

Minnesota has a chance to send a signal to the nation and become the 18th state to guarantee that every student crossing that graduation stage will have the financial skills they need to thrive in the future. It's good for students, it's good for families, it's good for the state economy. Thank you for the opportunity to provide testimony.

Regards,

Tim Ranzetta
Advocate, NGPF Mission 2030 Fund



The Minnesota Jump\$Tart Coalition's mission is to foster and improve financial literacy among youth and young adults through collaboration, partnership, and connecting with organizations that pursue and offer equitable and inclusive access to effective financial education resources and programming within their communities. We envision a State in which all youth and young adults have access to resources and participate in programming that allow them to become financially capable adults.

Unfortunately, not all youth currently have access to these resources. We are striving to change that.

The importance of personal financial education prior to adulthood cannot be understated. The foundation that is built around cash-flow management, credit, risk, and investments can be a key factor in determining one's financial literacy and behavior as an adult. A stronger financial foundation can lead to better post-secondary decisions, additional job opportunities, less dependency on others, greater confidence, and a more impactful role in making positive contributions to society.

The Minnesota Jump\$Tart Coalition, together with our affiliation with the national Jump\$Tart Coalition for Personal Financial Literacy, offer numerous resources for teachers in promoting effective and comprehensive financial education for K-12 students. The National Standards for Personal Financial Education represented a collaborative effort between the Jump\$Tart Coalition for Personal Financial Literacy and the Council for Economic Education. The standards represent 6 topic areas: earning income, spending, saving, investing, managing credit, and managing risk. They identify knowledge, skills, and decision-making abilities that all young people – without regard to race, gender, and family income – should acquire during their K-12 education. In alignment with these standards, the Jump\$Tart Coalition for Personal Financial Literacy developed the Jump\$Tart Clearinghouse as an online library of financial education resources.

The Minnesota Jump\$Tart Coalition is committed to connecting people and organizations who share our goal in expanding financial literacy for our youth. In doing so, we can create a community that has a broader set of tools for implementing financial education in classrooms and community organizations. As many youth in Minnesota are not gaining financial education through other means, it's imperative that this important pillar of our society is embedded within the school system. We applaud the efforts to make personal finance a high school graduation requirement.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie Musgrove".

Stephanie Musgrove
Minnesota Jump\$Tart Coalition
Board President

**Minnesota Jump\$tart Coalition
Board Members
2022-2023**

Stephanie Musgrove, President – BestPrep

Jason Kley, Vice President – Carlson Capital Management

Tina Jones, Treasurer – Hiway Credit Union

Vicki Roscoe Erickson – TopLine Financial Credit Union

Jake Johnson – Rochester John Marshall High School

Julia Miller – Minnesota Credit Union Network

Molly Osberg – Maranatha Christian Academy

Kyle Paulson – Rosemount High School

Date: February 20, 2023

Dear Chair Pryor and members of the House Education Policy Committee,

This is to share Moneyweave® Academy's endorsement of HF0651 and to ask for your support in its passage. [Moneyweave® Academy is a 501\(c\)\(3\) headquartered in Minnesota](#), Our mission is to improve the financial literacy and thus, the economic security of women.

Our Board consists of prominent business leaders, academics, and financial planning practitioners. Each one of us has counseled countless clients, friends, and family members who have suffered from the lack of financial education. We have personally witnessed just how easy it is to lose economic security due to poor decision making, inadequate understanding of alternatives, abdicating financial responsibility, and becoming overwhelmed in times of crisis. We have also seen how vulnerable and uninformed consumers can become victims of predatory sales practices. These factors compel us to passionately advocate for comprehensive and trustworthy education in personal finance – especially for those most at risk.

It is well documented that financial literacy rates in the United States are woefully inadequate and are deeply problematic for young, BIPOC, disadvantaged, and female populations. Compounding these risks is the looming crisis associated with Social Security solvency. Previous generations could rely on the “three-legged stool” for their retirement: 1) pensions, 2) Social Security, and 3) personal savings. Pensions are now nonexistent for the great majority, and it is expected that Social Security Trust Funds will be depleted in less than a decade. Without these safety nets, future generations will rely solely on their savings to keep them from poverty's doorstep.

A recent meta-analysis published by the National Institutes of Health¹ affirms both the correlative and causative relationship between financial literacy to economic wellness. Financially knowledgeable individuals are more likely to:

- Better manage debt, and avoid predatory lenders,
- Plan, save, and invest for the future,
- Understand financial products, and
- Protect themselves against longevity risk in retirement.

Now is the time to equip our children to take hold of their economic future. The lack of trustworthy financial education should never be another risk factor that they face. Personal finance instruction in Minnesota high schools will equip our youth with the tools to make informed decisions that will affect the rest of their lives. Please join us in eradicating financial illiteracy and ensuring a brighter future for Minnesota youth by voting “yes” for HF0651 requiring a semester-equivalent course in personal finance for high school graduation.

Thank you for your consideration.



Mary Quist-Newins, MBA, MSFS, CFP®, CLU®, ChFC®
President, Executive Director
Moneyweave® Academy, Inc.
mqn@moneyweave.org

¹ Financial Literacy and Economic Outcomes: Evidence and Policy Implications, NIH National Library of Medicine, May 2017, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5445906/>

February 27, 2023

Chair Laurie Pryor
State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Dear Chair Pryor and members of the Education Policy Committee,

The Minnesota Council on Latino Affairs (MCLA) strongly supports H.F.651.

We recognize the importance of financial literacy and the critical role it plays in ensuring long-term financial stability and success. Incorporating personal finance education into the high school curriculum would provide students with the knowledge and skills they need to make informed decisions about budgeting, saving, debt, and investing. This would have a positive impact on the long-term financial well-being of individuals, families, and whole communities; promote financial stability; reduce poverty; and improve economic mobility in the state.

This is especially true for Latino students, who often face unique financial challenges, including limited access to resources, lower average income, and higher levels of debt.

As a state agency, the Council advises elected officials on matters affecting the Latino community. From our engagement with Latino youth in the state last year, we heard firsthand about the need to integrate financial literacy classes into the high school curriculum. Many participants shared stories about their personal struggles with financial planning and management and shared their wishes to learn about investing and other financial topics to achieve financial security.

For example, one recent high school graduate expressed her regret for not learning about credit and debt before using credit cards. She had no idea how interest rates worked and did not understand the consequences of missing payments, which led to her accruing high amounts of debt. Another participant shared his surprise at the costs associated with attending college and the importance of understanding the true expenses and financing options. He had assumed that all he needed was financial aid to cover these expenses but quickly realized that he needed to do more research and planning to avoid accruing too much debt. He stressed the importance of understanding the true costs of attending college and the various options for financing education.

Many Latino youths also shared with us that, without access to proper financial literacy education, they were forced to rely on financial information and advice on the internet. This is concerning because the accuracy and reliability of this type of information are often difficult to ascertain. We also heard from Latino youths who had to take on the responsibility to learn about banking, budgeting, and other financial concepts on their own and then went on to teach their immigrant parents who lack such knowledge.

These stories show that for many Latino families, financial literacy is a generational issue, and Latino youths are often the ones who take the lead in educating themselves and their families. Financial literacy education in schools, therefore, can empower students with the knowledge and skills to help themselves and their families make informed financial decisions, which can help break the cycle of financial instability and set them on a path to a brighter future. This is even more urgent now when Minnesotan households have seen their income and savings shrinking due to the impact of the pandemic and rising inflation.



For these reasons, the Minnesota Council on Latino Affairs supports H.F. 651 and encourages the committee to vote for the passage of this critical legislation to set our future generations on a path toward financial security and prosperity.

Thank you for your time and consideration.

Sincerely,

Nicauris Heredia Rosario, Legislative and Policy Director

February 27, 2023

Dear Chair Pryor and members of the Education Policy Committee,

My name is Nely Sofia Lorenzo Sanchez, I'm a junior in Humboldt high school and I'm writing to express support for HF651. I'm currently attending a high school in Saint Paul, MN and throughout my two years in high school it would have been beneficial to have a class that would teach me useful life skills that I could continue to use after I graduate. Now that I'm a junior and soon to be a senior there aren't any classes that focus on learning life skills. Adding a financial literacy class is going to be beneficial to not only me but other students that also have no clue on how to manage finances. Financial literacy will be helpful for so many more high school students in the near future when it becomes more prioritized in the educational system. I'm in full support of this bill.

Sincerely,

Nely Sofia Lorenzo Sanchez

February 8, 2023

Dear Chair Pryor and members of the Education Policy Committee,

My name is Deivid Ruben De La Cruz Torres. I'm a junior in Humboldt high school and I'm writing to express support for HF651. I am attending a school in Saint Paul, MN and so far it has been a great experience academically, but I can't help to think that I have little to no skills in financial management. The class closest to this topic only talks about career choices, but in my two years and a half of attending high school I have yet to learn any valuable skills to deal with my life. Many of the skills we learn in school are useless when it comes to real life. I do not know how to start a bank account, I do not know how to ask for a loan, housing, mortgage, debt, personal expenses, etc. Many of these skills, I will have to learn by myself and with limited help from adults I trust because they also were not taught these skills. Not having the support necessary, I will probably make mistakes that will lead to long term consequences. A class like financial literacy needs to be a priority, no student I know would be against this and being knowledgeable financially will make better and smarter adults. This course will never be a regret to anybody as everyone has suffered the consequences of not knowing how to do any of this. I deeply support the passing of this bill as it should already be a priority course that everybody should take. Having financially literate graduates will help everyone's overall wellbeing, I am in full support of this bill.

Sincerely,

Deivid Ruben De La Cruz Torres

February 27, 2023

Dear Chair Pryor and members of the Education Policy Committee,

My name is Wendy Sanchez and I am writing to express support for HF651. I grew up attending public schools in Minneapolis, MN, and I'm the first person in my family with a high school education. Therefore, I solely depended on my school to teach me academics and how to become a well-equipped and successful adult. However, after I graduated, I realized that high school focused on equipping me academically, but it overlooked on the importance to become socially, financially, and emotionally aware to handle challenges and situations that follow us in our education and careers. During my time in high school, there were many things that I learned, but very little that I could apply to my life. There was not a class that focused on teaching comprehensive life skills to prepare me for the challenges of adult life. Looking back, having a financial literacy class in high school would have brought this important and relevant topic to my attention. Right after high school, I needed to teach myself how to make financial decisions as there was a lot that I needed to consider such as how to fund college and balance housing, loans, personal expenses, etc. The hard part about learning by myself was I learned from my mistakes, and the consequences tend to stick around for a while. The financial choices we make after high school can often continue to impact us later in our lives so it is a topic that should be prioritized in our education system. I applaud the leadership for bringing this bill forward and am in full support of this bill.

Sincerely,

Wendy Sanchez

Dear Chair Pryor and members of the committee,

My name is Alejandro Caceres-Aranda, and I am currently a fourth-year undergraduate student at Minnesota State University, Mankato. I graduated from Saint Louis Park High School in 2019. Once I began my college journey, I realized that I wasn't as well-equipped as I thought I was going to be for the next 4 years of college. Most of it stemmed from a lack of financial literacy, something that I didn't learn in school, nor at home. I wish I would've had the opportunity to take a financial literacy course in high school because it would've prepared me better for my undergrad years. When students graduate high school, they are having to take some of the hardest financial decisions that could affect them for the rest of their lives. I come from a perspective of being a first-generation Latino student, which I know many of our youth in Minnesota can relate to. For starters, I had no idea how to navigate the process of applying for universities, ACT prep, and especially how loans worked. I was blessed to receive guidance through the College Possible program in High School that helped guide me through the long and tedious process of applying for college. A big help was having a College Possible coach explain to us the difference between private loans, subsidized loans and unsubsidized loans. If it wasn't for this program, who knows how many more loans I would've taken out, had I not been given a game plan prior to applying for universities.

Many students in Minnesota, however, do not have access to programs like College Possible and are forced to learn financial literacy all on their own, due to first generation students' parents not being able to guide them through this process due to them not going through the experience of applying for college and FAFSA. These programs also have limited spots for students, so not every student has a chance to be a part of the program. Another important factor to take into account is that the electives from my high school were also offered at my college institution, this time with a price tag on them. The electives that I took in high school did not transfer to my undergrad transcript, and I was forced to take out loans to pay for general education credits, even though I took most of them as electives in high school. Having a financial literacy course take the place of one of these electives would be substantially more beneficial, not only for students seeking higher education but for high schoolers who want to go straight into the workforce. These literacy courses would teach students how to budget, save up and even invest their money for the future. I hope you all consider H.F 651 and the direct impact it could have for future generations of students in our communities.

Thank you,

-Alejandro Caceres-Aranda

Money Matters: Knowledge, Attitudes & Practices

Among Middle and High School Students, The Need for Financial Literacy

Tej Bhagra, 9th grade, Mayo High School

COVID-19 exposed the financial vulnerability of many Americans, who indicated that they wished for better money management skills and financial education to make smart financial decisions. Financial literacy is a core survival skill that remains overlooked in middle and high school curricula. **Purpose:** This survey was conducted to gauge baseline financial literacy (knowledge, skills, and practices), prior participation in financial classes, as well as a desire for mandatory financial education in middle and high schools. **Methods:** Anonymous financial literacy survey was administered with questions related to knowledge, attitudes, and practices of middle and high school students toward personal finance. **Results:** The survey was sent to over 3,000 students with a 25% response rate. The majority of the respondents reported no prior instruction/class about finance or investing (74.9%). More than 60% of these expressed a desire to take one. Upperclassmen compared to non-upperclassmen and boys compared to girls showed a higher interest in financial education. 100% of upperclassmen boys showed future interest in financial education compared to girls (82.4%). The majority of the respondents preferred an interactive learning approach. 77.8% of students expressed a desire for mandatory finance/investing classes in schools. **Conclusion:** The data supported my hypotheses and revealed a low baseline knowledge and high interest in mandatory financial education among respondents.

INTRODUCTION

Last summer, I enrolled in an online course “The Mathematics of Volatile Markets” to enhance my knowledge of stocks, pyramid schemes, complex formulas, and how the flow of money works within markets. It was an advanced class for teenage children to learn about a topic that is not typically taught in schools. It struck me that I was the only student from the Midwest and boys outnumbered girls 4 to 1. More than half of the participants were located outside the United States. That got me thinking about the low level of interest in financial topics among middle and high-school-aged students in the United States and the gap between boys’ and girls’ levels of interest in financial topics. A question arose in my mind: if managing money is so important as an adult, why is the awareness so low amongst school-age children who will be adults in a few years? And why is it that girls seemingly have a lower interest in money matters than boys? After all, everyone needs to manage their money regardless of gender. I decided to study the prevalence

of financial literacy among middle and high school students, their interest in wanting to learn more about this topic, and the factors affecting financial literacy.

HYPOTHESES

HA1 The majority of middle and high school students will report that they do not receive education on financial topics.

HA2 The majority of middle and high school students desire schools to offer mandatory financial education.

HA3 The interest of school students in financial topics increases with grades.

HA4 There are gender differences in the interest of school students for financial topics.

MATERIALS AND METHODS

I did background research regarding existing financial literacy surveys suitable for deployment amongst middle and high school students. Because I was unable to find an existing survey that fulfilled my requirements, I created a financial literacy survey. The survey did not collect any personal identifying information. The anonymous survey contained questions pertaining to the knowledge, attitude, and practices of middle and high school students related to personal finance and financial products. Rochester public schools teachers and mentors helped in administering the survey via Google Classroom to all the RPS middle schools and two high schools – John Marshall and Mayo High School. The data were analyzed utilizing the analytic capabilities of Google Forms, Google Sheets, and Microsoft Excel.

RESULTS

The survey responses related to students' financial awareness and usage of financial products and services were analyzed. The responses were sub-analyzed by grade and gender to look for associations with financial literacy and interest. The survey invitation was distributed to 3250 students. 782 students responded to the survey. Please note the attached infographic.

DISCUSSION

The results showed that students do not get to discuss financial topics with their parents/guardians or teachers. A small number of students enroll in optional financial classes; however, the vast majority are interested in mandatory classes on finance and investing. A possible explanation as

to why a low number of students have taken a financial class even though they are interested could be due to the limited time the students have in their school day. Upperclassmen were considerably more interested in financial topics when compared to non-upperclassmen. A possible explanation for this could be due to them being in the job market and managing their own earned money.

It was striking to see that a high number of the respondents were unaware of annual bank interest rates, even though a majority of them had a bank account. A possible explanation could be that a majority of respondents in that group had a joint bank account with their parent or guardian, which leads to unawareness. Further, the awareness of cryptocurrency was high. A possible explanation is the social media buzz around cryptocurrency and how young people consume information. The actual ownership of cryptocurrency was low at less than 5%. However, considering the young age of the survey population, this is a remarkable statistic showing how impressionable young people can buy speculative assets that are highly volatile.

Next time, I would like to refine my survey by incorporating additional themes and expanding the geographical reach of the survey outside my city, state, and country. Adding the dimension of race/ethnicity and socioeconomic factors may provide a more complete picture of differences that exist in our society. The survey can be enhanced by adding the viewpoint of additional stakeholders including teachers, educators, and school board members. My ultimate goal is to translate this research to incorporate evidence-based and need-driven mandatory financial curricula for middle and high school students.

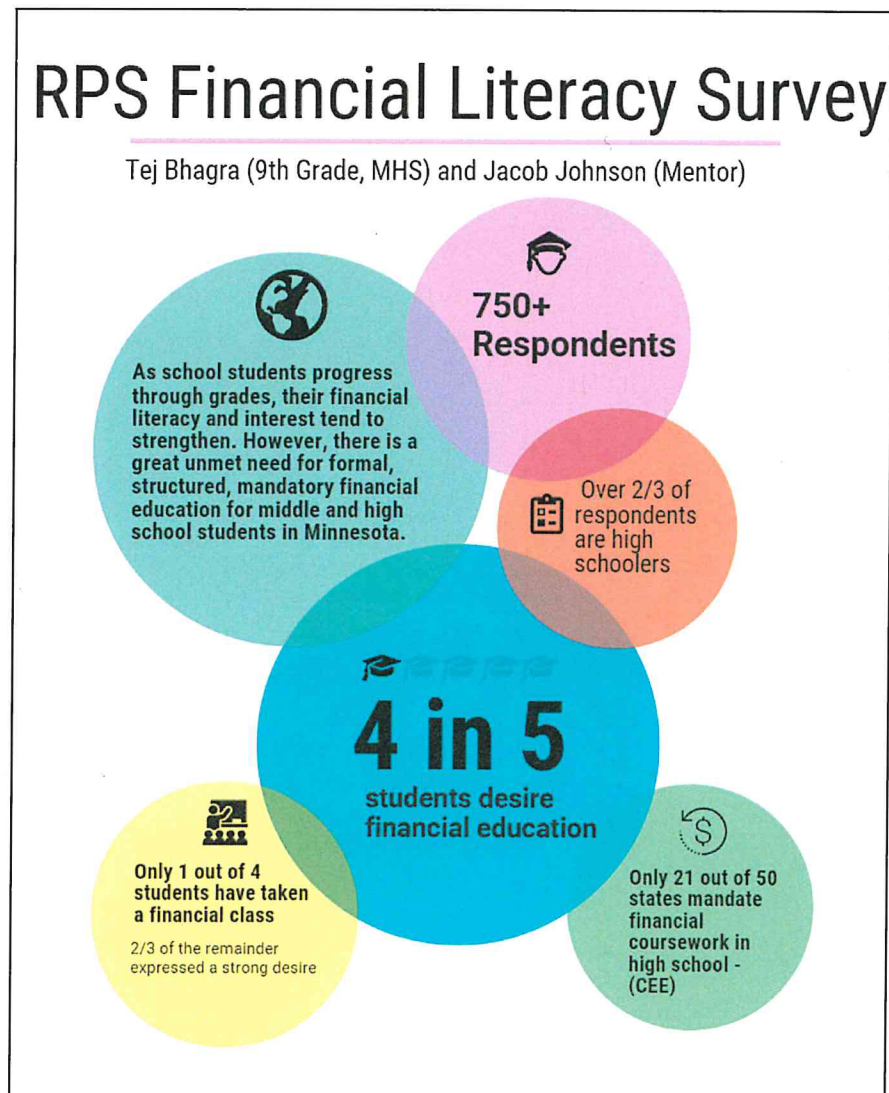
My project had several limitations. One of the limitations of my project was that it was conducted in a single city (Rochester, MN) with a relatively high median household income and literacy levels which may have skewed the results. Furthermore, only a couple of high schools were included. While 20-30% is considered typical for the survey response rate, my survey response rate was around 25%. The response rate may have been affected due to the holidays and school being switched to remote learning for a couple of weeks due to COVID-19.

CONCLUSION

As school students progress through grades, their financial literacy and interest tend to strengthen. However, there is still a great unmet need for formal, structured, mandatory financial education for middle and high school students.

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4. "EVERFI Financial Literacy for High School." *EVERFI*, everfi.com/courses/k-12/financial-literacy-high-school/. Accessed 5 Feb. 2022.





*The Premier Network of Black Real Estate Professionals
9380 Excelsior Blvd, Hopkins, MN 55343*

Dear Chair and Members of the Committee,

The Twin Cities chapter of the National Association of Real Estate Brokers (NAREB) strongly supports SF 901 and HF 651, which is described as "Personal finance class required for high school graduation".

National Association of Real Estate Brokers (NAREB) is a professional real estate organization which includes membership from multiple disciplines in the real estate industry. We can't stress enough how important it is to educate our children on the basics of personal finance. Student loan and credit card debt are instant barriers for graduates, and we need to provide the tools for young adults to make educated decisions that will have a direct impact on their quality of life. Financial literacy is inconsistent from community to community. Financial education can be a great equalizer for people of color.

The National Association of Real Estate Brokers, Inc. (NAREB) was founded in Tampa, Florida, in 1947 as an equal opportunity and civil rights advocacy organization for African American real estate professionals, consumers, and communities in America. The purpose of NAREB is to enhance the economic improvement of its members, the community at large, and the minority community which it serves. To unite those engaged in the recognized branches of the real estate industry including brokerage, management, mortgage financing, appraising, land development, home building, and allied fields for the purpose of exerting influence on real estate interests. Although composed principally of African Americans, the REALTIST® organization embraces all qualified real estate practitioners who are committed to achieving our vision, which is "Democracy in Housing".

Sincerely,

Cameron Perket

President, NAREB Twin Cities



Dear Chair and Members of the Committee,

The Twin Cities chapter of the Asian Real Estate Association of America (AREAA) strongly supports SF 901 and HF 651, which is described as “Personal finance class required for high school graduation”.

Asian Real Estate Association of America (AREAA) is a professional real estate organization which includes membership from multiple disciplines in the real estate industry. Founded in 2003, the Asian American Real Estate Association of America (AREAA) is a national nonprofit trade organization dedicated to improving the lives of the Asian American and Pacific Islander (AAPI) community through homeownership.

Now more than ever, our youth need to be educated in personal finance. Too many high school graduates and young adults lack knowledge of the basics of credit, budgeting and the proper use of debt. A recent study done by our national organization shows that the AAPI community is much less likely to use credit than other subgroups, and tend to pay for items in full, frequently using cash. For this reason, many AAPIs fail to build a credit history. We believe that requiring a course in personal finance (as proposed in SF 901 and HF 651) will go a long way to helping the next generation to avoid the missteps and misunderstandings of the use of credit.

Sincerely,

A handwritten signature in black ink that reads "Vincent Jung".

Vincent Jung

President, AREAA Twin Cities

February 28, 2023

Members of the House Education Policy Committee:

Thank you for the opportunity to submit written comments on Rep. Hassan's HF 651.

Minnesota Realtors® is a statewide business trade association founded in 1919 and has a membership of over 22,000 members working with buyers and sellers of all types of property across the entire state.

Minnesota Realtors® would like to express our support for HF 651, which establishes financial literacy coursework requirements for high school graduates.

Homeownership is one of the best ways in which individuals and families can build lasting wealth. For most people, a home will be the largest purchase of their life and can be very complicated for those that have little knowledge or experience with the process. Understanding how to establish credit history, acquire a home mortgage loan, and develop a household budget, can help prepare young Minnesotans to be successful homeowners in the future.

With high inflation, increasing student loan debt, and elevated home prices, it has never been more important for individuals to become financially literate. Including financial literacy coursework requirements for high school students will equip young Minnesotans with the necessary skills to successfully manage their personal finances and build sustainable wealth.

Again, thank you for the opportunity to provide our support for HF 651.

Sincerely,



Matt Spellman
Director, Governmental Affairs
Minnesota Realtors®



February 22, 2023

Good afternoon Members of the Education Policy Committee,

I am writing today to submit comments on behalf of the Minnesota Credit Union Network in support of Senate File 901. The Minnesota Credit Union Network is the trade association for credit unions and works to ensure the success, growth and vitality of our member credit unions and their more than 2 million members.

Americans increasingly find themselves in challenging financial situations. Nationally, according to the Financial Health Network, more than 2/3 of Americans are not financially healthy. Approximately 40% of Americans would not be able to pay an unexpected expense of \$400 without borrowing money from family or friends. At least some of these issues can be attributed to a general lack of financial literacy. In a 2021 paper from the Milken Institute, "according to the 2014 S&P Global Financial Literacy Survey, only 57 percent of US adults are financially literate—as measured by those showing knowledge of at least three out of the four basic financial concepts assessed by the survey: risk diversification, numeracy, inflation, and compound interest."

As member-owned, not-for-profit financial cooperatives, Minnesota credit unions provide financial education, counseling, and products to reduce debt and build savings - but it's not enough. Credit unions see firsthand the impacts of a lack of financial knowledge and are ready to assist their members in dire financial situations.

Over 100 Minnesota credit unions employees have a Certified Credit Union Financial Counselor designation and there are 6 credit union branches in high schools that help provide employment opportunities, training and education on a variety of topics on financial wellbeing to students. Credit unions from all corners of the state also engage in programs and initiatives that do everything from helping kids (and parents) learn about managing money and win prizes to helping members understand fundamental fiscal concepts and help them meet their financial goals.

However, these efforts would be enhanced and complementary in strengthening the financial well-being of all young Minnesotans entering the workforce with coursework in classes. Minnesota credit unions strongly support the financial literacy instruction requirements for high school students found in SF 901. Earlier preparation for understanding their finances will lead to more students understanding their finances as they enter adulthood and help them better face challenges in the future.

Again, we support HF651 and would like to thank the authors for introducing it.

Sincerely,

Ryan Smith
Director of Government Affairs

February 27, 2023

Chair Laurie Pryor
House Education Policy Committee
Minnesota House of Representatives
100 Rev. Dr. Martin Luther King Jr. Blvd
Saint Paul, MN 55155



RE: Support of Senate File 901/ House File 651

Chair Pryor and Members of the Education Policy Committee,

The Minnesota Bankers Association (MBA) is writing to express support for HF 651/SF 901, a bill requiring a personal finance class for high school graduation. The MBA is Minnesota's largest banking trade group, representing approximately 95 percent of the banks in Minnesota. The MBA's membership includes banks of all sizes, including several large national banks and a handful of regional banks; although, the vast majority of our member banks are community banks.

Minnesota banks have long supported efforts to raise awareness about money management and the wise use of credit to encourage sound financial decision making. It is a significant enough issue to be part of MBA's government relations platform. Banks of all sizes play an important role in teaching young people the importance of smart money management through programs such as Teach Children to Save, Get Smart About Credit and Lights, Camera, Save! Bankers have educated thousands of students in Minnesota through these programs, but this bill will do much more by requiring a personal finance class in the high school curriculum. Our bankers are excited at the prospect of financial education reaching every high school student in Minnesota.

A 2021 study by the Milken Institute indicated that a significant number of American adults "lack the basic knowledge and skills required to engage in sound financial decision-making." This data aligns with what we hear from our members, who have told us that young people often have little understanding of financial planning, budgeting, balancing a checking account, investing, how credit cards work or the importance of a credit score. This bill could help students become financially literate and avoid financial mistakes that could impact their ability to save money or obtain a loan in the future.

Many states already require financial literacy education in high school. It is time for Minnesota to empower our students to develop positive spending habits and provide them with the skills to achieve their financial goals.

Sincerely,
Joe Witt
President/CEO



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Phone: 952.835.3900 · MN Toll Free: 866.835.3900 · Fax: 952.896.1100 · www.minnbankers.com



February 15, 2023

Dear Chair and Members of the Committee,

The Minnesota Mortgage Association strongly supports SF 901 and HF 651, which is described as a "Personal finance class required for high school graduation."

Daily, mortgage lenders witness the disparity in peoples' knowledge in financial matters. Some have a high level of understanding while others lack a basic understanding. It is so sad to see how some people get their financial life off on the wrong foot simply because they didn't know any better. Education in this case can be a great equalizer. Today, it is more important than ever to educate our children in the basics of personal finance.

The Minnesota Mortgage Association is a member-driven organization that represents mortgage lenders statewide. It is the goal of the Minnesota Mortgage Association (MMA) to eliminate any practice or policy that could contribute to inequities in the homeownership process. We are committed to a holistic approach by both supporting effective partnerships in addition to pursuing policies and educational initiatives that gives every Minnesotan equal and fair access to credit. We pledge our continued support of organizations and institutions that are engaged in comprehensive reforms and efforts designed to eliminate any homeownership gap among groups.

Sincerely,

James Essen
President, Minnesota Mortgage Association



Dear Chair and Committee members,

As financial planners we see the power of financial stability, capability and opportunity each day in our work. We also know that the disparities among our fellow Minnesotans are great. While we may not be able to directly address those gaps in our work we can help the next generation through robust education.

Currently, the lack of comprehensive personal finance education is a disservice to our state. We believe that having a strong foundation of financial topics will help propel the future of Minnesota. A new state-wide requirement for a stand-alone personal finance course would ensure all students receive similar quantities and quality of education on practical life topics such as budgeting, saving, and planning for their future, regardless of where in the state they are learning. We also think that learning about taxes, loans and investing will help with their future decision-making and overall financial literacy. According to Next Gen Personal Finance, graduates of high schools with guaranteed financial education are 21% less likely to carry a balance on a credit card while in college.¹

The impact of these decisions will have a positive influence on our state as we imagine more financially stable households, but also the potential prosperity of our students and communities. In addition to the other 17 states that have implemented a required course, we want Minnesota to continue to be a leader in economic success and education. Our fellow Minnesotans are ready for this addition to curriculum. 82% of Minnesota voters believe all high school students should be guaranteed to take a course in personal finance, with 86% believing that the legislature should address this need in an urgent manner.²

To reduce financial vulnerability and inequality, we collectively encourage you to help prepare our children for their best future by voting 'yes' for HF651/SF901.

The Financial Planning Association of MN has 703 members and is the leading membership organization for CERTIFIED FINANCIAL PLANNER™ professionals and those engaged in the financial planning process. On behalf of our members, thank you for your service and consideration.

Financial Planning Association of Minnesota, Current and Past Leadership

Bruce Lorenz, CFP® 2023 President	Pete Snow, CFP® 2022 President	Ryan Antkowiak, CFP® 2021 President	Ingrid Strauss, CFP® 2020 President	Megan Olson, CFP® 2019 President	Jason Kley, CFP® 2018 President
Sara Kantor, CFP® 2017 President	Jeanna Fifer, CFP® 2016 President	Steve Gilbertson, CFP® 2015 President	Jason Plank, CFP® 2013 President	Becky Krieger, CFP® 2010 President	Nate Wenner, CFP® 2009 President
Shawn Jacobson, CFP® 2008 President	Andy Feterl, CFP® 2007 President	Janet Stanzak, CFP® 2005 President	Craig Jergenson, CFP® 2004 President	Kathy Longo, CFP® 2003 President	

¹ Stoddard, C. and Urban, C. (2018). *The Effects of K-12 Financial Education Mandates on Student Postsecondary Education Outcomes*.

² Public Policy Polling, April 2022



The Honorable Laurie Pryor
Chairwoman, Committee on Education Policy
Minnesota House of Representatives
571 State Office Building
St. Paul, MN 55155

This letter is to support the Financial Literacy Coalition's bill HF0651 to support financial literacy for students in Minnesota.

As President of NAIFA Minnesota (The National Association of Insurance and Financial Advisors) we support the work of the Financial Literacy Coalition. Our NAIFA Minnesota members are insurance agents, financial advisors, and leaders in their communities. Our members care passionately about the importance of financial literacy and equipping our youth to meet the financial challenges of the future. Our members help educate their clients, and volunteer in schools, community organizations, and nonprofits.

Making smart financial decisions can provide a strong foundation for future success. Raising financial literacy will help individuals and families:

- Manage college costs and student debt
- Plan for future priorities like buying a house and saving for retirement
- Learn how to save money and invest
- Budget and make smart decisions about purchases
- Avoid predatory lenders
- Understand how programs like Social Security and Medicare affect them
- Manage risks like disabilities and property loss

We can make a tremendous contribution to future generations by supporting financial literacy!

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "Brian Fleming".

Brian Fleming, CFP, CLU
NAIFA Minnesota President



February 15, 2023

Members of the Senate Education Policy Committee,

The Insurance Federation of Minnesota strongly supports efforts to increase the level of financial literacy among young adults. One of the best ways to boost knowledge of essential tools needed by citizens to navigate the world of sometimes complex financial resources is to teach this topic in school.

The new requirement on teaching personal finance early in the high school years as provided in HF651 is a great first step in helping accomplish this goal.

There have been several recent polls asking people in their 20s what subject they wished they learned more about in school. Overwhelmingly, the top answer is that young adults wished they had been taught more about personal financial management.

Insurance is an excellent financial tool consumers can use to help manage their personal risk and protect their growing financial assets, but it can often be complex. With increased knowledge learned early on, it can help consumers make better, more informed decisions about their financial future.

Teaching high school students about the need to carefully control their money is imperative if we expect to see young adults who are successfully able to make the best decisions in the intricate world of personal finance.

It's time Minnesota joins the 17 other states that have a similar requirement for personal financial management education in high school.

Respectfully,

Aaron Cocking

President & CEO

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Maple Grove, MN 55311-6505
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