



Senate Bill 115: Requiring a Financial Literacy Course in High School
Senate Committee on Education
Testimony of Senator Joan Ballweg
May 23, 2023

Good morning, members of the committee. Thank you for hearing this important legislation.

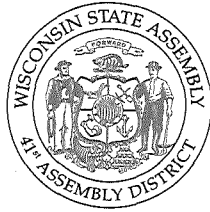
Every child, no matter their zip code, deserves a quality personal finance education. Study after study shows that those who are more financially literate are more likely to lead a happier, healthier, and more prosperous life. Unfortunately, due to high inflation, rising interest rates, and other economic pressures, more people are struggling, especially if they did not receive a basic financial education. In a recent Gallup survey, 50% of Americans said they are financially worse off now than last year, which is the highest percentage since the Great Recession.

In 2017, Wisconsin passed legislation requiring school boards to adopt academic standards for financial literacy and incorporate them into their instruction. The Governor's Council on Financial Literacy & Capability, which was created in December of 2011 and housed under the Department of Financial Institutions states that, "as of 2021, 93% of school districts require or offer personal finance education courses in high school (up from 91% in 2019). However, only 34% of schools guarantee students will have one semester of personal finance education before graduating, while 59% provide students with the option to take an elective personal finance education course." SB 115 builds on the progress of the 2017 legislation by guaranteeing that every Wisconsin student receives a half credit of financial literacy before graduation.

According to a 2019 report by the Education Commission of the States that compared high school graduation requirements across all 50 states, the total credits required range from 13-24 credits. Wisconsin is on the low end of this range with only 15 credits required. Wisconsin is not the only state to push for more financial literacy in high schools. There are currently 19 states, including Ohio, Michigan, Nebraska, and North Carolina, that require a one-semester course for graduation. Minnesota is likely to soon become the 20th state.

We heard feedback from stakeholders last session and changed the requirement from one credit to a half credit this session, as well as provided extra time to implement the requirement, so it applies to students graduating in 2028. This bill also utilizes the financial literacy academic standards the Department of Public Instruction (DPI) adopted as part of the 2017 legislation, so schools and the DPI do not have to reinvent the wheel. Moreover, there are many groups willing to provide funding, training, curriculum materials, and assistance to school districts and teachers so they can effectively teach these courses. For example, an organization called Next Gen Personal Finance is backing Milwaukee Public School's efforts to offer financial literacy courses with a three-year \$490,000 grant, and local financial institutions often provide resources, training, and professional expertise to their local schools.

I believe every child deserves the opportunity for a quality personal financial education in high school. Decisions made early on while emerging into adulthood impact the rest of your life. This should be considered an essential tool to prepare our youth. This bill is supported by the Department of Public Instruction, National Association of Insurance and Financial Advisors, Wisconsin Credit Union League, Wisconsin Bankers Association, Wisconsin Manufacturers & Commerce, and Next Gen Personal Finance along with many other organizations. The legislation is scheduled for an executive session in the Assembly Committee on Education this Thursday.



ALEX A. DALLMAN

STATE REPRESENTATIVE • 41ST ASSEMBLY DISTRICT

Testimony in favor of Senate Bill 115

Senate Committee on Education

May 23rd, 2023

Thank you, Chairman Jagler and committee members, for allowing me to testify before you concerning Senate Bill 115, which would require one-half credit of personal financial literacy for high school graduation. I would also like to thank Senator Ballweg for her leadership on this legislation.

Under current law, a school board may grant a high school diploma to a student only if the student meets specific statutory requirements, such as earning a certain number of credits in various subjects in high school. This bill states that, in order to graduate, a student must also earn at least one-half credit of personal financial literacy which includes financial mindset, education and employment, saving and investing, credit and debt, and risk management and insurance.

Many students come out of college with large student loan debt, and incur that debt without understanding what it will take to pay it off. This bill will teach our students the importance of growing their savings, balancing a budget, and how loans and other financial tools work.

Wisconsin is not the only state that is pushing for this change. There have been at least 17 states, including many of our neighbors (Ohio, Michigan, Nebraska and North Carolina) that require a one semester course for graduation. There are 20 states that have introduced bills to promote financial literacy instruction.

Wisconsin only has 15 credits required to graduate high school, which is significantly lower than many states across the nation and I believe it is critical we set our students up for financial success as they head into the workforce and college. There have been many disturbing financial trends that have been occurring for several decades. Students are leaving college with massive amounts of debt as the national student loan debt continues to rise nearing \$2 trillion. Recent surveys have also shown that 78% of adults are living paycheck to paycheck and do not have a personal budget. Instead of sending our next generation out into the real world without any knowledge of how to save, manage, and invest money, we must require this sort of education to start in high school.

Thank you again, Chairman Jagler, for the opportunity to testify before this committee today and I would be happy to answer any questions you may have.

Hello Senators. My name is Katelynn Herrild and I am speaking today as a high school Freshman and the daughter of a Personal Finance teacher.

I would like to start by telling you about how I grew up. Money has always been talked about in my household. Ever since I can remember, any amount of money that I ever earned from chores or received for a gift has been split between spending and saving. At least half of those amounts were put into my piggy bank. Once my piggy bank would get full, we would take that money to the bank where my mom and dad helped me deposit it into my savings account. That was a really proud moment for me. I felt so happy and grown up to know that I did such an adult thing. It was exciting to see how my money was growing.

Now that I am 15 years old, I am realizing that what was a normal thing to do at my house is not so normal for everyone. Most kids my age see any money they receive as spending money. The idea of saving even a part of their money seems crazy to them. When we shop at the mall together, I am fairly cautious with my money and I don't like to buy too much at one time. On the other hand, many of my friends will spend all of the money that they have and then simply ask their parents for more. I just couldn't do that. My parents give me freedom on how much I spend and what I buy, but it is also clear to me that when it is gone, I will have to either work to earn more, or wait for a holiday or birthday to come.

Let's be honest, I'm here today because of my mom. It is impossible to live in my house and not think that this requirement is important. However, now that I am in the high school, I also get to hear my mom talking with many of her personal finance students. As I listen to them, I realize that there is a ton that I still don't understand. So even though it is a widely talked about topic in our house, I couldn't just go out to get a job, and a car, and pay for my education, because I wouldn't have any idea how to do that. I don't know how to file my taxes, yet. I don't know how to set up a loan, yet. I don't know what kinds of insurance I need to have, yet. These are all topics that I will learn when I take this class during my junior or senior year of high school.

No matter what you learn or don't learn about money at home, this class is necessary to have financial independence and be able to adult someday. I always hear older students telling my mom that this was the most useful class that they have had in high school. These are really smart kids who seem to know it all. So that tells me that this class is valuable to even the brightest students in our school.

Thank you for listening to all of us speak today and I hope you can see why requiring personal finance is so important to everyone in this room.

Submitted by:

Katelynn Herrild

4018 Garrett Street, De Pere, WI 54115

Chase Yells
Testimony in Support of SB115
Senate Committee on Education

Chairman Jagler, thank you for the opportunity to speak in support of Senate Bill 115.

My name is Chase Yells, and I am a junior at West De Pere High School. I am currently enrolled in a one semester Personal Finance class. I strongly believe that it is the most important class that I will ever take.

I have always been interested in money management, and when I would talk to peers about it, they would have no knowledge about the topic. When I began to research financial literacy statistics, I was astonished.

According to Annuity, in 2023, 75% of American teens lack confidence in their knowledge of personal finance.

American credit card debt reached 986 billion dollars in the fourth quarter of 2022 according to the Federal Reserve Bank of New York.

According to a Vanguard study, the median 401(k) balance was 27,376 dollars at the end of 2022.

These statistics highlight the severity of lacking financial literacy. If personal finance were to be a required course, I have no doubt in my mind that these statistics would drastically change.

I have seen first-hand positive impacts of the class. We, as students, learn how to budget, so that when we are adults we know what we are spending, saving, and investing. We discuss the benefits and consequences of additional education. We learn how the difference between a Roth and Traditional IRA can make a huge impact. We learn the difference between term and whole life insurance among others.

My classmates and I are fortunate enough to get the opportunity to learn personal finance. Thousands of others, including many at my school who do not take the elective course, do not get the opportunity to learn and consequently will likely learn from costly mistakes.

With inflation out of control, we cannot afford to learn from our mistakes; we need to be educated enough to make sound financial decisions.

15 states including Iowa and Virginia require personal finance. High school students in Wisconsin are required to take English, Social Studies, Math, Science, and Physical Education.

We are given the opportunity to be physically fit; we should also be given the opportunity to be financially fit.

Hello Senators, and thank you for allowing me to testify in support of Senate Bill 115, requiring one half credit of financial literacy to all Wisconsin high school students. Since you are on the education committee, I have to believe that you support public education in our state, and I first and foremost want to thank you for that. I have been teaching business for 21 years in Wisconsin and financial literacy is not just a class that I teach. It has become a passion and a calling of mine. It was an honor of a lifetime to testify to the Assembly Committee on Education about this same topic in 2022 and just last month. To see the bill make it this far gives me so much hope for the future education of our young people.

Today you will hear from students and teachers from around the state about why this bill is important. Those reasons are backed by years of research as well as anecdotal evidence from our classrooms. Recent news headlines about record household debt and even the country's debt ceiling highlight the power that money and its related decisions have on our lives. Because I am confident that others will provide much of this information, I chose to give a different message today.

In school, we ask students to be critical thinkers and problem solvers. In that spirit, I thought I would try to address the four biggest concerns that I can think of about implementation of this specific requirement.

First, let's talk about local control. We have great diversity between highly populated and sparsely rural districts around the state. Different districts have different needs, and I agree that most decisions should be decided by local people based on their unique needs. However, we all have a number of things in common. Most specifically, each person in our state, regardless of the community they live in, have to manage their own finances. We work to earn money. We pay taxes. We pay for our needs and hope to have some money left to pay for some wants too. Most Wisconsin residents also carry debt from credit cards, auto loans, student loans and mortgages. We are told that we need to have emergency funds saved up just in case. We are told that it is smart to invest early toward our retirement. We are told that we should be saving for our children's education. We are told a lot of things about what we SHOULD do with our money. However, I don't hear too many folks talking about HOW we should do all of these things.

I teach in a highly respected and sought after school district. I am proud to teach there and have my children attending. However, Personal Finance is not a requirement in my school district. YET. Because so many districts are trying to do so much with so little, adding a new requirement is not on most district's radar. However, when polled, 90% of people agree that this should be a requirement in our schools. Next Gen Personal Finance created a documentary a couple of years ago called, "The Most Important Class You Never Had." In fact, Laura Finke and Patrick Kubeny, who are here today, were both featured in it, along with educators from around the country. Local control is vital for issues that are local. The lack of financial literacy in our society is not a local issue, but a state and national issue that needs to be addressed. That addresses my first big concern.

My second concern is lack of qualified teachers, and that too is valid. Some will say that anyone can teach this course because it is based on common sense practices. Keep in mind that I want this bill to pass. That argument would be helpful to my case here, but I can't look at you with integrity and tell you that anyone can teach this class. We need qualified teachers who are educated on the topics covered in this course, who are excited to share stories and knowledge, and who are able to connect with students on this very personal level. At a time when we have a teacher shortage, this is a real concern that I also have. Here is where I find hope for good in dealing with this issue.

Organizations like Next Gen Personal Finance and Jump\$tart, among many others, offer high quality and free curriculum resources and training to teachers. Through these organizations, I have improved my own financial knowledge as I have collaborated with teachers from across the country. There is a growing community of financial educators out there who are ready to tackle this challenge. We are ready to take new teachers under our wing and help them implement this requirement. Generally once a teacher starts taking some of these professional development courses, they continue because they are engaging and not only improve our teaching, but they improve our personal finances.

The third biggest issue to tackle is lack of funding. This is an unfunded mandate. That's true. However, I just told you about the amazing resources out there that are free for teacher training and curriculum development. There are no textbooks or expensive subscriptions needed to implement this requirement. I'm not saying it will be an easy task, but there is a lot of financial support in place to help make this happen.

Finally, I think there could be an elephant in the room. I started this speech by telling you about the honor it has been to testify to the Assembly and now the Senate on this topic. I have never considered myself a politically charged person, and never could have imagined being here in front of you today. I have learned so much over the last year about how politics work in our state. As a nation, we are so deeply divided, and that has certainly trickled down to the state level as well. I am not here to point fingers at anyone. I am admitting my own ignorance in telling you that I honestly don't know who on this panel is a republican and who is a democrat. I also honestly don't think it matters. When 90% of people agree that teaching financial literacy to our students is just as important as reading, writing and arithmetic, along with phy ed, social studies, science and health classes, how can this be a divisive issue? THIS should be a slam dunk bill that both democrats and republicans can get behind. THIS should be the thing that shows the people of this state and nation that we really do have a lot more in common than different. THIS should be an issue that unites us.

I heard this quote from Oprah many years ago, and it always stuck with me. When we know better, we do better. Let's help our young people of today know better so that the society of tomorrow can do better.

Submitted by: Kerri Herrild, 4018 Garrett Street, De Pere, WI 54115



Wisconsin Senate Committee on Education Testimony

Wisconsin Senate Committee on Education
May 23, 2023 Hearing

Chair Jagler and Esteemed Members of the Committee,

I appreciate the opportunity to provide testimony in support of Wisconsin Senate Bill 115 which would provide the opportunity for all Wisconsin high school students to cross the graduation stage with the financial knowledge, skills and behaviors they need to thrive in the future.

My name is Tim Ranzetta, Advocate of 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 80,000 educators who reach more than 3 million students in all 50 states.

Let's talk about Wisconsin. We have enjoyed partnering with the 2,100 teachers who use our curriculum and the 500+ who have invested more than 15,000 hours in their own professional development. These workshops included FinCamps we have offered for many years in Milwaukee and just a stone's throw from here in Madison. 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.

As those PD numbers attest, there's a great degree of interest from Wisconsin teachers to do more when it comes to personal finance education. In fact, 16 schools in the state have received Gold Standard Challenge grants from NGPF to recognize their commitment to educating every high schooler with a semester-long personal finance course. That's the good news...the bad news is that about 2/3 of students do not attend a school that requires this course. And that's why our conversation today is so important and the culmination of years of work.

Over the past several years, I have had conversations with dozens of stakeholders to craft a bill that would guarantee that every high school student would benefit from a standalone one



semester personal finance course. Those meetings with House and Senate members, the Department of Public Instruction (DPI) and the Wisconsin School Board Association demonstrated broad support for a personal finance course while also highlighting the importance of getting the implementation right. I want to personally thank you for taking the time to share your insights and your interest in this subject. As I said then, NGPF is committed to a successful implementation.

To set the national context, what we see happening in Wisconsin with the introduction of Senate Bill 115 is part of a larger national movement. In the last two years alone, the number of states requiring a one semester course in personal finance has grown from 8 to 19, with Ohio, Michigan, Kansas, Indiana and Nebraska among the most recent examples and Minnesota expected to be state #20 in the next few days.

As we approach the finish line, we are excited about how this bill will both level the playing field by ensuring all guaranteed this essential course while also providing economic benefits to the state with a more financially capable populace.

I look forward to hearing the testimony from this amazing group of educators and students who will follow me.

Regards,

Tim Ranzetta
Advocate, NGPF Mission 2030 Fund



To: Honorable Members – Senate Committee on Education
From: Sarah Wainscott, Senior Vice President of Advocacy
Re: **Testimony in support of SB 115 – requiring one-half credit of personal financial literacy**

Chair and members of the Committee, thank you for the opportunity to speak in support of Senate Bill 115, regarding one-half credit of personal financial literacy for high school graduation.

I'm Sarah Wainscott, Senior Vice President of Advocacy for the Wisconsin Credit Union League. The League is a state trade association for Wisconsin's credit unions and their 3.7 million members. Our support from this bill stems directly from supporting our members ability to meet their mission.

Wisconsin's state-chartered credit unions are charged in statute "to encourage thrift among its members, create a source of credit at a fair and reasonable cost, and provide an opportunity for its members to improve their economic and social conditions." – Wis Statutes 186.01 (2)"

Further, as not-for-profit cooperatives, credit unions are structured – empowered – to put people before profit in achieving that mission and offer solutions that others can't or won't. Providing financial education is one way our credit unions do just that - and invest in improving the financial wellbeing of Wisconsinites.

With my testimony today we've included statements of support from credit unions varying in asset size and serving communities across the state – including, La Crosse, Eau Claire, Marshfield, Antigo, Green Bay, Whitewater, and communities everywhere in between. Some include reference to the significant contributions and effective partnerships credit unions have established to serve hundreds of schools and school districts with weekly classes, presentations, course work, workbooks, reality fairs – where students can test their skills managing real life challenges – or other resources, most often funded and provided directly by the credit union.

Some credit unions fund a position dedicated to financial education. Some host in-school student-run credit union branches. They don't make money for the credit union – but provide first-hand experience, opportunity, and access for students to put financial education lessons to action and build healthy financial habits.

I share these examples of the commitment and collaborations our credit unions have already established for two reasons. First, to illustrate how passionate our credit unions are about ensuring future generations have the education and opportunity to set themselves up for financial successes. And second, to illustrate how effective collaborations have already served students, schools, and school districts well across the state – in some cases helping districts establish and provide financial education for a graduation credit.

On behalf of Wisconsin's credit unions, we thank you for your consideration of SB 115. Requiring one-half credit of financial education ensures all Wisconsin students have access to resources and education to invest in themselves and start a path toward a stronger, brighter financial future.

As our credit unions continue their work toward financial wellbeing for all – we look forward to and invite collaborations with Wisconsin's schools in their work to achieve the same goal.

Spoken Testimony-Senate Committee on Education



ROYAL
CREDIT
UNION

Good morning. My name is Jennifer McHugh. I am the Vice President of Community Engagement at Royal Credit Union. Royal is based in Eau Claire and serves nearly 300-thousand Members in northwest Wisconsin and the Twin Cities Metro area. I am also a member of the Wisconsin Governor's Council on Financial Literacy and Capability and have served on the Council since 2012. The Council works to measurably improve the financial literacy, capability, and inclusion of all WI residents.

The statistics are alarming. According to a Wisconsin Department of Financial Institutions 2022 report...more than half (53%) of Wisconsin residents live paycheck-to-paycheck, 34% of Wisconsin households struggle to afford basic household necessities, and 60% of Wisconsin residents are unable to correctly answer basic financial literacy questions.

Royal Credit Union is proud to support Senate Bill 115, which will require Wisconsin students to earn one-half credit of personal financial literacy for high school graduation. This legislation would complement the current K-12 financial literacy curriculum standards and give our students even more tools to successfully manage their money now and in the future.

Wisconsin's credit unions have a long history of partnering with schools to provide financial education to students. There are nearly 100 student run-credit unions in our state. Royal opened its first School \$ense location in 1993, and now operate offices in 6 high schools, 5 middle schools and 19 elementary schools. Each year, thousands of students learn to become smart savers and spenders by making weekly deposits and withdrawals at school. Just over 370 students work for the program each year. The high school tellers are hired team members and part of the Department of Workforce Development's Youth Apprenticeship program. Our middle and elementary students are proud volunteers. Program wide, participants in Royal's School \$ense conduct over 18-thousand transactions and deposit over \$550 thousand each year.

The credit union movement is committed to working to provide financial well-being for all, and research shows that a required financial literacy course can help students make better financial decisions as adults. We are prepared to continue to support Wisconsin schools and work with them to help our students build strong money habits that they can apply throughout their life.





May 22, 2023

RE: Support of SB 115

Presently only approximately 30 states require schools to offer personal finance in high school. This does not mean that all require students to complete a personal finance course to graduate. Currently only 17 states have made personal finance a graduation requirement.

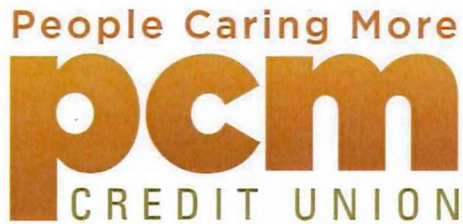
While it is the responsibility of professionals like ourselves to offer financial guidance, only about 33% of the adult population seeks advice from a professional. Unfortunately, in many ways, it is after an individual has had complications with managing their own finances that this occurs. The remainder of the population, about 41% turns to family or friends for financial guidance, leaving the remaining 26% of the population having nobody to help with their financial matters.

Statistics on financial literacy show the gaps in necessary financial knowledge the U.S. population. Just within the millennial youth population, ages 27 to 42, estimates show that only about 25% of the generation understands basic financial principals.

We have an opportunity in the State of Wisconsin to help ensure that our youth is provided the necessary financial knowledge to develop and maintain a strong financial independence. Please join me in making a positive change to the future of our state and support Senate Bill 115.

Sincerely,

Scott Stewart
Mortgage Lender
sstewart@heartlandcu.org
608-440-6021



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www.pcmcu.org

Date: April 20, 2023 - Support of SB 115
Statement (testimony) from Lesley Enz, PCM Credit Union (Green Bay & Marinette)

According to a 2023 survey from financial services firm Edward Jones, more than nine in ten Americans (93%) view financial wellness as important – yet 43% report they do not feel financially stable, and 29% have less than \$500 in their emergency savings. Other studies have shown this percentage is even higher, triggering stress and anxiety when any unplanned expense occurs. We can do better.

One of the seven cooperative principles of a credit union is financial education, and if you don't know much about us, we are a passionate group. We look for opportunities for our philosophy of People Helping People and many credit unions have gotten involved in our schools and communities at different levels to engage and teach our teens about money and real-life scenarios on how to manage a budget.

I have been invited into a Financial Algebra class at Marinette High School as a guest speaker to talk about the importance of savings, opening an account with a debit card, fees, rates, earning and spending, credit, and fraud. The students have been very engaged in learning with the main background message that money is a tool to live and enjoy life but that responsible money management is built on financial knowledge and that they must be accountable for their own success. **Managing money is not an optional part of adult life.** Statistics show that many Americans have poor skills in this area and even for parents who have good intentions, it is often another life lesson that is left for the world to teach. Do any of us really know the consequences of this?

With SB 115 in legislation, we have an opportunity to do better. Personal finance should not be an elective course. Let's work together to pool resources and use the platform of our schools to provide and support a stronger foundation. If the consensus is that kids need the knowledge of personal finance, what are the obstacles of making it a reality?

Consider Wisconsin credit unions a strong supporter. Wisconsin is a huge credit union state with national agencies like CUNA and the National Credit Union Foundation right here in Madison, as well as the active support of our WI Credit Union League right across the street. We are committed to help schools meet the one-half credit requirement. Together let's make financial wellness a priority, knowing that if this legislation is passed, **WE WILL SEE PROGRESS** in the future for both our Wisconsin families and our economy.

Sincerely,

Lesley Enz

Lesley Enz, Sr. Director of Marketing & Strategic Partnerships
PCM Credit Union
lenz@pcmku.org
Direct 920-593-2223

The need for financial literacy has never been more important than it is today. There are plenty of sources for tips and suggestions on how to better manage your finances, and many of these tips range from outright wrong to potentially harmful. The rise in social media, especially TikTok and YouTube, means any creator can portray themselves as expert on any topic without vetting or proof. Everyone is seeking reliable financial education and will look at views and likes as validation that a recommendation is legit and beneficial.

Students who are graduating high school have a plethora of options to them, from going to college to taking on an apprenticeship to starting their working life, with each option having an impact on their current and future financial position. Students are expected to graduate from high school with a basic understanding of math, science, reading, history, etc. While these subjects give a well-rounded education to the students, the reality is that many of these topics will never be used in their life again after school.

Financial literacy is the exception to that rule. The topics discussed under the purview of financial education, from managing debt to understanding your credit score to saving for retirement, can be the difference between being in control of your finances or having your finances control your life. The ability for schools to provide this uniform education to all students prior to graduating can drastically improve their financial conditions throughout their entire lives.

Why is it important to get this information sooner than later? One decision made at a young age can impact an individual's credit score for years. One decision to not save for retirement at a young age can lead to lacking the resources to retire later in life. For example, take investing for retirement. If you invested \$100/month over 40 years with an average return of 12% annually, you'd save almost \$1 million more than another individual who started 30 years later, investing \$1,000 for 10 years. In this instance, waiting to learn about the power of compound interest has a material impact on the final amount saved.

School boards want to put their students in a position to succeed in life based on the subjects covered during their school years. In my opinion, nothing can be more important than equipping our youth with the tools to effectively manage their finances. I strongly support SB 115 and ask you to do the same.

David Murphy, President

Marshfield Medical Center Credit Union



MARSHFIELD
MEDICAL CENTER
CREDIT UNION



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Please accept this letter as our formal support of SB 115.

Altra Federal Credit Union believes that financial education is critical for high school students. This education will provide students with crucial information vital to their future.

In our industry, we hear from many community members that they “wish that would have been taught” when they were in school. These community members are your constituents, and they are not anomalies. Many feel that if they had been given the tools and resources at a younger age, they may have done things differently.

Research shows that many parents do not feel equipped to teach their children about personal finance because they themselves may be struggling with their own finances. Requiring one-half credit of personal finance instruction as a graduation requirement will not only help students with their futures but will also provide assistance to families that may not feel comfortable in teaching these important lessons.

Altra Federal Credit Union fully supports financial education in our communities by offering the following digital programs. While each of these programs are available to the community, they are also great resources for teachers to utilize in their classrooms to enhance their personal finance curriculum.

- Banzai, an online platform that allows users as young as age 7 to experience real-world financial literacy in a fun, safe way through age-based programming.
- Zogo, a free app that rewards users for completing bite-sized lesson on financial topics from savings to investing, cryptocurrency to retirement, and more!

In addition to these digital programs, Altra Federal Credit Union has a full-time Financial Wellness Coordinator that dedicates his days to assisting teachers with presentations on various financial topics. We have partnered with Junior Achievement of Wisconsin to provide financial support, as well as several employees to volunteer their time for in the classroom teaching Junior Achievement. Altra partners with several school districts on “Reality Store” days, where High School students visit several stations to experience “real-life” and managing their finances by making monthly payments on a simulated income. Many students that are surveyed near graduation often comment that their participation in Reality Store is one of their most memorable experiences!

While it is not yet a state-standard to require personal finance instruction, Altra Federal Credit Union has worked with several local school district boards to gather information and conduct student surveys to show the need for personal finance instruction. We’ve been able to assist three different school districts in making personal finance a graduation requirement.

SB 115 will ultimately help students have a successful future managing their finances. If you would like to see the successes of our programs or have any additional questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Danielle Anderson". The signature is written in a cursive, flowing style.

Danielle Anderson
Manager, Youth Strategies
608-779-3160
danderson@altra.org



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May 15, 2023

RE: Senate Bill 115

Senate Committee on Education:

Please accept this letter in support of Senate Bill 115. Financial literacy for our high school students is of utmost importance to ensure that they have the knowledge to live a successful life here in Wisconsin after they graduate. In my 20+ years working in the Credit Union Movement I have had many opportunities to volunteer in providing financial education to our high school students. I along with my Credit Union friends have partnered with non-profit organizations such as Asset Builders of America and Junior Achievement of Wisconsin, who provide educational experiences for students in the classroom setting. Credit Unions in Wisconsin cooperate with each other to provide Reality Check Days, where high school students get to experience a day in the life of managing their finances as if they were in the real world. My Credit Union along with many others have supported our high school students through the Youth Apprenticeship program. In all of these programs the students who experience these education resources learn valuable lessons that they take into their adult financial life.

These efforts that I and my Credit Union colleagues have accomplished still only touch the high school students who have a desire to learn more about managing their money. Students who learn more about managing their money achieve a leg up to be financially successful as adults. The basis of Senate Bill 115 in requiring one-half credit of personal financial literacy for high school graduation, will ensure that all high school students in Wisconsin have the same opportunity to be wise with their money. If you would like to learn more about the successes I have seen in working with high school students in Wisconsin by increasing their financial literacy, please feel free to contact me 715-346-6535 or email me at tbarthel@sentrycu.org.

In Service,

Timothy Barthel
President
Sentry Credit Union

Sentry CU 2023



May 19, 2023

RE: Support of SB 115

Senate Committee on Education

A five-year analysis of *Financial Health Pulse* research from 2018-2022 reported that four out of five Americans were financially unhealthy for at least one year. Certain demographic groups also reported being chronically financially unhealthy. Black and Latinx people were more likely to face financial health challenges than white people. 55% of respondents who had less than a bachelor's degree reported being chronically financially unhealthy versus just 31% of respondents with a bachelor's degree or higher. These findings underscore the need of financial education for all students prior to graduation.

Please accept this letter in support of Assembly Bill 109. Personal finance should not be an elective course for our students. All graduating seniors should have had the same opportunity to develop the financial capabilities that will promote financial wellbeing.

One of Fort Community Credit Union's seven cooperative principles is education, training, and information. FCCU is committed to outreach to schools within the communities we serve. In the first few months of 2023, I have personally visited eleven classrooms throughout Jefferson County to teach financial education. The thank you notes I received are a testament to the value of financial education. Pierre wrote to me saying, "Your presentation was my favorite part of the day. I really had a different perspective about money before. Now I learned how to save and budget my money." Many of the students I work with are first generation immigrants. These young people are navigating a foreign financial system for themselves, and often for their parents as well.

We owe the next generation the opportunity to live healthier financial lives. That can only be made possible through education. Please support Assembly Bill 109 requiring one-half credit of financial education for high school graduation.

Respectfully submitted,

Whitney Townsend

Whitney Townsend, Director of Business and Community Development

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ROYAL
CREDIT
UNION

May 23, 2023

**Support of SB 115-Financial Literacy Half-Credit for Graduation
Statement (testimony) from Jennifer McHugh, Royal Credit Union-Eau Claire, WI**

The statistics are alarming. According to a [Wisconsin Department of Financial Institutions 2022 report](#), more than half (53%) of Wisconsin residents live paycheck-to-paycheck, 34% of Wisconsin households struggle to afford basic household necessities, and 60% of Wisconsin residents are unable to correctly answer basic financial literacy questions.

Royal Credit Union is proud to support Senate Bill 115, which will require Wisconsin students to earn one-half credit of personal financial literacy for high school graduation. This legislation would complement the current K-12 financial literacy curriculum standards and give our students even more tools to successfully manage their money now and in the future.

Wisconsin's credit unions have a long history of partnering with schools to provide financial education to students. There are nearly 100 student run-credit unions in our state. Royal opened its first School \$ense location in 1993, and now operate offices in 6 high schools, 5 middle schools and 19 elementary schools. Each year, thousands of students learn to become smart savers and spenders by making weekly deposits and withdrawals at school. Just over 370 students work for the program each year. The high school tellers are hired team members and part of the Department of Workforce Development's Youth Apprenticeship program. Our middle and elementary students are proud volunteers. Program wide, participants in Royal's School \$ense conduct over 18-thousand transactions and deposit over \$550 thousand each year.

The credit union movement is committed to working to provide financial well-being for all, and research shows that a required financial literacy course can help students make better financial decisions as adults. We are prepared to continue to support Wisconsin schools and work with them to help our students build strong money habits that they can apply throughout their life.

Sincerely,

Jennifer McHugh, Vice President-Community Engagement
Royal Credit Union
jennifer.mchugh@rcu.org
(715) 450-4692





Date: May 19, 2023

RE: Senate Bill 115 (AB 109) Financial Literacy Half-Credit for Graduation

According to a 2023 survey from financial services firm Edward Jones, more than nine in ten Americans (93%) view financial wellness as important – yet 43% report they do not feel financially stable, and 29% have less than \$500 saved. Studies have shown this percentage is even higher, triggering anxiety when any unplanned expense occurs. Perhaps there is a better way to educate students by actively supporting school.

One of the cooperative principles of a credit union is financial education. We look for opportunities for our philosophy of People Helping People and many credit unions have gotten involved in our schools and communities to engage and teach our teens about money and real-life scenarios on how to manage a budget. Our credit union supports student classrooms by participating in financial education days at local schools and by providing literature to support teachers teaching financial education.

I took part in financial education at McFarland Middle School. Students opened savings and checking account in a student run financial. We were paid scrip for good grades and attendance, fined for speeding (running in the hallway), paid dues for extracurricular activities, assessed taxes, and learned to build a budget and apply the funds to purchase items related to education. I still utilize these principles today.

With SB 115, we have an opportunity to bring financial education to all students beyond an elective course. Let us work together to pool resources and use the platform of our schools to provide and support a stronger foundation. If the consensus is that kids need the knowledge of personal finance, what are the obstacles of making it a reality?

Consider Wisconsin credit unions a strong supporter. We are committed to help schools meet the one-half credit requirement. Together let us make financial wellness a priority.

Sincerely,

Shay Santos

Shay Santos
Chief Operating Officer
Heartland Credit Union
ssantos@heartlandcu.org
(608) 268-7306



May 23, 2023

RE: Senate Bill 115

Senate Committee on Education:

As a community-chartered Credit Union, one of our guiding principles is to do our part to ensure the next generation of adults can manage their money responsibly. Fifteen years ago, BHCCU partnered with the School District of Janesville by setting up two credit union branches in both of Janesville's high schools (Craig and Parker). These branches are staffed by dedicated students who work during their lunch hours. These bright young employees are also involved in promoting financial education to classmates through classroom presentations and fun games, such as Financial Fun Fridays and Trivia Tuesdays.

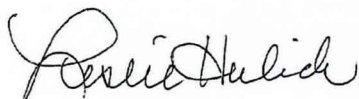
They even go above and beyond to share the importance of the credit union industry with their high school community by practicing peer to peer education and celebrating National Credit Union Youth Month (April) every year with special games.

Our Director of Community Engagement & Education, Teresa Riesterer, spends several hours a year in elementary, middle, and high school classrooms, educating students on the importance of money management skills and budgeting.

Although our dedicated staff and student tellers do a fantastic job of educating our youth, we cannot do it alone. We support AB 109 in legislation, as evidence shows that financial literacy and money management skills are not optional. BHCCU supports making financial literacy credits required for all students. We must all do our part to empower our youth to be successful.

We appreciate your anticipated support of this legislation, and we look forward to BHCCU's continued partnership with area school districts to strengthen the financial future for Wisconsin's children.

Sincerely,



Leslie Hulick
Senior Vice President & Chief Administration Officer
Blackhawk Community Credit Union



May 23, 2023

**Senate Committee on Education
Department of Public Instruction Testimony
2023 Senate Bill 115**

I want to thank Chairman Jagler and members of the committee for the opportunity to give written testimony on Senate Bill 115 (SB 115). My name is Kevyn Radcliffe, Legislative Liaison for the Department of Public Instruction (DPI).

DPI is pleased to support SB 115.

On April 20, 2023, at the Assembly Committee on Education public hearing on AB 109, the companion bill to SB 115, DPI took a neutral position and made three (3) recommendations. Since that time, DPI has had an opportunity to meet with the bill authors and have a better understanding of the bill's intent.

Instruction in personal financial literacy (PFL) gives students the knowledge and skills needed to make informed financial decisions, develop sound financial habits, and manage money effectively. Since the enactment of 2017 Wisconsin Act 94, school boards have been required to adopt academic standards for financial literacy and to incorporate instruction in financial literacy into the curriculum in grades kindergarten to 12.

Seventy three percent of Wisconsin school districts reported to DPI that credit in PFL was required for graduation for the 2019-20 school year. According to a study conducted by Dr. Carly Urban of the University of Montana that reviewed personal finance course offerings and graduation requirements across the nation, 96.2 % of all Wisconsin high school students have personal finance as either a requirement for graduation or as a stand-alone elective. That leaves 4.3% of Wisconsin students (in 20 high schools) that either do not offer a course in personal finance or the topics related to personal finance are embedded in a different elective course.

Despite supporting the bill, DPI acknowledges that SB 115 creates yet another unfunded mandate for schools. This bill could force some school districts to incur additional costs to implement this new statutory graduation requirement. Rural school districts, already facing staffing shortages and budget shortfalls, are most likely to be impacted by this bill. Potential costs could include increased staffing to teach the courses, developing course curriculum, and verifying credit completion for graduation. Without funding, this would become yet another unfunded mandate for already underfunded school districts to absorb.

DPI recommends approval of Governor Evers proposal in his 2023-25 biennial budget, providing \$5 million "...for grants to school districts and independent charter schools to implement or expand personal financial literacy curriculum and programming, with an emphasis on innovation in personal financial

Page 2

literacy instruction.” DPI would use these funds to provide support directly to school districts and independent charter schools through grants and DPI expertise to implement or expand PFL programming.

As part of that \$5 million proposal, DPI requests position authority for one (1) FTE position to administer the grants and to coordinate program activities. Currently, three DPI Education Consultants (Business & Information Technology, Family and Consumer Sciences, and Social Studies) share the management of PFL in Wisconsin education with the Assistant Director of the Career and Technology Education (CTE) team. PFL is one small part of each of their position descriptions; this has caused uneven implementation of programs and projects in the past. Without position authority and funding, this bill would put additional burdens on current DPI staff on the Career and Technical Education team to provide implementation support to school districts. Simply put, DPI is unable to adequately support additional grants and programs without FTE authority and proper funding.

If you have questions or would like additional information, please contact Kevyn Radcliffe, Legislative Liaison, at Kevyn.radcliffe@dpi.wi.gov or (608) 264-6716.

Senators and Committee Members -

My name is Joel Chrisler and I have been a teacher of Financial Literacy at Sauk Prairie High School for the last 33 years. I am an Advisory member to the Governor's Council on Financial Literacy, I am a NextGen Personal Finance Fellow and served as a Co-Lead for the Department of Public Instructions rewrite of the Personal Financial Literacy Standards. I am sharing this testimonial to pledge my support for Senate Bill SB 115. I believe EVERY Wisconsin student not only needs financial literacy, but they deserve it.

My class, Consumer Economics, began as an elective, but within my first 5 years as an educator, around 70% of our students took the class. During parent teacher conferences, parents would comment on how much they appreciated the content I was teaching and how valuable it was for their children. They thanked me and said they wished it could be a requirement. I was happy to get the praise, but asked them to redirect their praise to our administrators and school board. They did and I take great pride in the fact that we got such a requirement passed at Sauk Prairie High School. As a huge advocate for financial literacy, I feel all students in Wisconsin High Schools deserve the same opportunity. I would argue that this is the most useful class that a student could take in high school. Whether they are going into the military, workforce, technical college, or university, they will all have to make decisions about money. Those decisions can have long lasting consequences to themselves and to our state's economy.

I would like to share a story to illustrate the importance of a class like this for students. On a spring afternoon, a student, I will call her Elizabeth, stayed in her seat after class during my Savings and Investing unit. I asked her if everything was ok. This was her

response. "I want to thank you so much for all you are teaching me. I have watched my parents struggle with finances their whole lives. It breaks my heart to see them wonder how we are going to make it between paychecks. I don't want to live like that and now I know I don't have to. I know I am going to school, I'm going to make money, I'm going to budget, save and invest. You have helped me change my family tree." To say I was humbled is an understatement.

My students even believe in the need to advocate for financial literacy. I have created a Peer-to-Peer Financial Literacy program where my students go to elementary classrooms to share lessons. It was in full swing for 10 years and then, because of Covid, we had to put it on hold. On April 12th, the program was revived for one more time before I retire from the classroom in June. Here is the [LINK](#) to the story as it was covered by WKOW TV. I am so proud of my students and their excitement to share the lessons they learn in class.

In conclusion, my district is very fortunate to have grasped the importance of Financial Literacy. I could be very content to just enjoy the fact that the Sauk Prairie community committed to this. However, my belief that ALL Wisconsin students deserve this is even more important. I know you will hear more stories of the need for this legislation. My wish is that we can make this a reality for every student.



PROFESSIONAL INSURANCE AGENTS OF WISCONSIN, INC.

725 Heartland Trail, Ste. 108, Madison, WI 53717 • (608) 274-8188 • piaw.org

To: Members, Senate Committee on Education

From: Peter Hanson, Executive Director, Professional Insurance Agents of Wisconsin

Date: May 23rd, 2023

RE: Support Senate Bill 115

Thank you, Chairman Jagler and committee members for holding a hearing on Senate Bill 115, relating to requiring financial literacy education in high school. This bill is important for those moving through Wisconsin's schools system, and we appreciate the opportunity to submit testimony.

The Professional Insurance Agents of Wisconsin (PIAW) is a 501 (c)(6) not-for-profit trade association representing independent insurance agencies throughout Wisconsin. We have three guiding pillars of our organization, one of those being education, which makes this legislation of particular importance to our organization.

Senate Bill 115, authored by Senator Ballweg and Representative Dallman, adds one-half credit of personal financial literacy education to current requirements in order to qualify for high school graduation. It is our belief that requiring this education will better prepare students for the realities of adulthood by imparting a base level of practical knowledge in a variety of subject areas important for financial decision making.

In addition to providing students with education on money management and saving and investing, this course would require students to learn about credit, debt, risk management, and insurance. These subject areas are extremely important to getting a financially responsible start to adulthood. Irresponsible financial decisions such as accumulating debt or driving without adequate insurance, can cause irreparable damage to someone's financial future. Not only can driving without insurance cause personal financial ruin in the case of an accident, but it also has a severe negative impact on other Wisconsinites using our roads. Imparting this knowledge does not guarantee responsible behavior, but it will give students the basic tools to make empowered financial decisions moving forward into adulthood.

Financial literacy is a fundamentally important life skill that is lacking in many young adults. Taking steps to ensure that students receive a basic overview in Wisconsin schools will help to lay the groundwork for more financially responsible Wisconsinites.

Thank you again for holding a public hearing on this important legislation, and please support Senate Bill 115. Please do not hesitate to reach out to me if you have any questions.



State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

Senate Committee on Education
SB 115 — Required Personal Finance in Schools
May 23, 2023

Statement from David Mancl, Financial Literacy Director,
Department of Financial Institutions

Thank you, Chairman Jagler, and Honorable members of the Committee on Education, for having a hearing today on SB 115, requiring personal finance in school. I appreciate the opportunity to provide testimony today. My name is David Mancl, I am the Director of the Office of Financial Literacy at the Department of Financial Institutions (DFI). The Office of Financial Literacy promotes financial education and provides information to the public on matters of personal finance and investor protection. I wish to take this opportunity to re-affirm and emphasize the value of financial literacy education for Wisconsin's youth.

DFI's mission is to protect and promote Wisconsin's financial strength. It protects and ensures compliance through regulation and licensing of Wisconsin's financial institutions and professionals. However, regulation, licensing, and compliance can only go so far to inform and protect consumers from fraud. Our laws cannot protect citizens from making inappropriate financial decisions. Nor do our laws provide people with the knowledge, skills, and understanding necessary for them to successfully navigate in our evolving financial system. Compelling evidence supports the need for financial education. As regulators of most of Wisconsin's financial service providers, DFI has a bird's eye view of the financial system and its consumers.

DFI receives numerous contacts from Wisconsinites on money matters each year. Many of these people are confused or unaware of their rights and responsibilities in financial transactions. Such as the terms and conditions of having a credit card and that paying only the minimum payment will obligate the borrower to pay more fees.

We know many Wisconsinites struggle with money issues, here are a few facts from research on financial capability in Wisconsin according to FINRA's latest Financial Capability Study.

- Most Wisconsinites are living paycheck-to-paycheck - 52% of Wisconsin residents spend equal to or more than their income.
- A vast minority of Wisconsinites do not have a "rainy day fund," 37% of residents do not have emergency money of three months of income
- Regarding medical debt, 24% of state residents have overdue medical bills, up from 21% in 2015.
- When it comes to borrowing, 27% of state residents have engaged in some form of high-cost, non-bank borrowing during the last five years, such as payday lending or advances on tax refunds.

Office of the Secretary

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Mailing Address: PO Box 8861 Madison, WI 53708-8861
Phone: (608) 264-7800 Website: dfi.wi.gov

- Financial literacy scores are low, on a test of 7 questions, most residents were unable to answer more than 3 questions correctly

The lack of financial "knowhow" and financial problems do not stop at the front door of one's home. Financial problems follow employees into the workplace and greatly affect productivity and our economy.

Stress over financial issues negatively impacts employees which in turn cost employers. Over 60% of Americans attribute their stress to money issues. Employees facing money stress are less productive, take more time off, and perform at subpar. Their physical and mental health suffers, which leads to increased costs for employers to provide health care insurance benefits.

Negative impact on employee's wellness and productivity - 48% report being distracted at work [PricewaterhouseCoopers (PwC) 2021 Employee Financial Wellness Survey]

- 46% spend 3 hours or more at work each week dealing with personal finance issues
- 20% spend 5 hours or more at work each week dealing with personal finance issues
- 31% say their productivity at work is impacted by financial worries
- 16% miss work occasionally due to financial issues

Employees with the lowest levels of financial wellness cost employers an average of \$94 to \$198 annually. According to the report, *Optimizing Wellness Programs for a Diverse Workforce*, published by Financial Finesse.

PwC's 2021 Employee Financial Wellness Survey of 1,600 full-time employed US adults found that many employees are experiencing deep financial strain. Employees whose financial stress has increased due to the pandemic are:

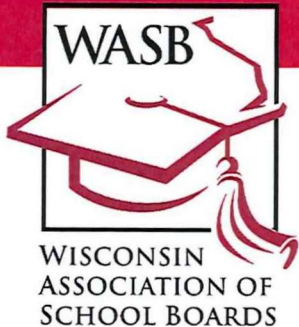
- four times as likely:
 - to have experienced a decrease in overall household income
 - to find it difficult to meet household expenses on time each month
- twice as likely:
 - to have used a payday loan or payday advance in the past year
 - to have taken a loan or distribution from retirement accounts
 - to be considering postponing their retirement

We must help our youth develop financial life skills and knowledge to last them a lifetime. Financial education is a life skill and can help our youth maximize their chances for success in our free enterprise system.

Guaranteeing financial education in high school increases financial knowledge; student credit scores are 8 to 17 points higher by age 22 (Brown, A., J.M. Collins, M. Schmeiser, and C.J. Urban, 2015). Such a guarantee is found to increase the likelihood that students apply for aid and the amount of federal student loan aid students receive. At the same time would decrease private loan amounts and decrease the likelihood of carrying a credit card balance. (Stoddard, C. and C.J. Urban, 2018)

Financial education is not just about opening a checking account or charging a new pair of jeans on a credit card, it is providing the tools that will help our young people realize their dream for themselves and their families in our American free enterprise system.

Again, thank you for providing the opportunity for me, and others, to provide testimony on this critical issue. I am available to answer any questions that you may have by phone at (608) 572-5794 or by email at David.Mancl@dfi.wisconsin.gov.



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JOHN H. ASHLEY, EXECUTIVE DIRECTOR

TO: Members, Senate Committee on Education
FROM: Dan Rossmiller, WASB Government Relations Director
DATE: May 23, 2023
RE: COMMENTS regarding SENATE BILL 115, relating to: requiring one-half credit of personal financial literacy for high school graduation.

The Wisconsin Association of School Boards (WASB) is a voluntary membership association representing all 421 of Wisconsin's public school boards. One of our core tenets is to support and uphold local control of school district operations by locally elected school board members who are members of those communities.

During a typical legislative session, numerous bills are introduced to impose additional, new state mandates on schools. The WASB generally opposes those bills when they impose significant unfunded mandates on local school boards.

Because we recognize the lifelong benefits of financial literacy to students and the strong support for this bill, the WASB has taken a neutral stance on Senate Bill 115; however, we have significant concerns about the impact the unfunded mandate this bill imposes will have on some of our smallest and most rural school districts and those districts that have not yet implemented a full semester course on personal financial literacy. We have reserved the right to change our position if we hear from those districts that the requirements of this bill will impose an undue financial burden on them.

The WASB recognizes and appreciates the efforts of Sen. Ballweg and Rep. Dallman to change the bill (AB 899) from last session in response to these concerns by reducing the requirement from 1.0 to 0.5 credit and delaying the effective date to give school boards time to plan for implementation of the mandate.

The WASB has requested the bill's authors to consider the following:

- Creating a grant program in the Department of Financial Institutions (DFI) to assist school districts to implement the requirements of AB 109. The grants could be structured in two tiers: First priority would go to districts that have yet to implement a full semester course in personal financial literacy. Remaining funds should be allocated to districts that have a course in place but need assistance in scaling up that course so all students can complete it to meet the graduation requirement. The biggest costs to districts will be in employing teachers to provide this instruction.
- Allowing the ½ credit to count in place of another required credit for graduation.
- Tying the bill's requirements to the current state model standards for financial literacy rather than including the six strands in the statutes. Those strands (Financial Mindset, Education and Employment, Money Management, Savings and Investing, Credit and Debt, Risk Management, and Insurance) are included in the standards adopted in 2020. This would allow the standards to be updated moving forward without additional legislation and schools being caught in confusion if the model standards and statutory language didn't match at some point in the future.