



State Representative Christina M. Hagan
Ohio House District 50

Sponsor Testimony HB 108
House Education and Career Readiness Committee
March 21, 2017

Chairman Brenner, Madame Vice Chair Slaby, Ranking Member Fedor and Members of the House Education and Career Readiness Committee: thank you for allowing me the opportunity to provide sponsor testimony on House Bill 108, The Financial Literacy and Informed Student Document Act. The financial future of this State is dependent on the quality of education that we provide to a future generation of leaders, so it is absolutely necessary that we integrate these important measures into the educational process in Ohio. Our students are counting on us to ensure that they are equipped to meet life's challenges. I am here to personally testify to the fact that navigating student loans, especially as a first generation student, is a difficult task that should not be taken lightly. This decision should be made with the understanding of the implications of assuming debt and hopefully one's desire for their financial future to be as debt free as possible.

As the former Vice Chair of the Higher Education Summer Study Committee, I often heard reports of Ohioans desires to see a more cost efficient higher education system. These sentiments have continued to echo through my conversations with parents and students in House District 50. I have yet to meet any individual who has a desire to pay more for the education they have received; I have never read that email or received that call. I do however hear the contrary: students are saddled with excessive debt that burdens their purchasing power and financial solvency. It is for these reasons and more that we have put together a comprehensive approach to solving these problems. We know they can not be solved over night, but only through a cultural change, where students are empowered to make the wisest, least cost – best outcome, choices for their future by being taught to understand, navigate and evaluate costs that will define their lifestyles. We believe in a future with minimal debt can only be achieved when students understand the weight of their financial decisions and can more readily evaluate high cost purchases, such as that of higher education.

A future with minimal debt and maximum opportunity is what we believe in helping students find. This legislation will give students the tools they need to wisely navigate future financial decisions by being taught the principles of economics and financial literacy with an emphasis on personal finance, the concepts of credit, debt, investments and sound money management,



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through at least ½ unit of their high school curriculum. This legislation will also create transparency and ease of access for students to be able to quickly compare and contrast information about higher education institutions in this State. The Informed Student Document will be created by the Chancellor of Higher Education and this document shall be designed for the use of prospective students of the institution and their parents. It shall include instruction on how to access State and National sources to find data on jobs that are in demand. The document will also include important data points for the decision making process and will be updated on an annual basis to ensure that students are receiving the best information possible when deciding how to navigate their futures. In addition to these important concepts, students will also now be formally instructed on calculating interest and compound interest on loans and be exposed to federal financial aid forms such as the free application for federal student aid, or FASFA, so they are fully aware of all existing options and their implications prior to signing any agreement.

Ohio has one of the worst student loan debt problems in the United States; it is time that we change the dynamic and help our students to overcome this burden. Thank you for allowing me to provide sponsor testimony, we will be glad to answer any questions you may have at the conclusion of my joint sponsor Representative McColley's testimony.