



Testimony regarding SB 1  
Ohio Family & Consumer Sciences Alliance  
Sandra S. Laurenson, Coordinator  
June 15, 2021

Chair Manning, Vice Chair Bird, Ranking Member Robinson, and members of the House Primary and Secondary Education Committee,

Thank you for allowing us to testify today. My name is Sandra Laurenson. I am a retired family and consumer sciences educator having taught in high school, junior high school, community college and four-year college settings. I was with the Ohio Department of Education for 13 years—the last seven as the family and consumer sciences consultant in the Career-Technical Education division. I am here today as coordinator of the Ohio Family and Consumer Sciences Alliance. Our Alliance includes the Ohio Association of Teachers of Family and Consumer Sciences (OATFACS) which is our main teachers' organization and the Ohio Association of Family and Consumer Sciences (OAFCS) which includes teachers and other FCS professionals who work in other settings. Family, Career and Community Leaders of America (FCCLA) is our student-led career-tech student organization. Finally, higher education, FCS teacher educators round out our Alliance. Representatives of each of these organizations are here to speak on their behalf or have submitted written testimonies. Plus we have a couple of other individuals who offer valuable experience and perspectives in person or in writing.

Together our Alliance strongly supports requiring that every high school student have the benefit of a ½ unit, 60-hour stand-alone course in financial literacy that is based on the Ohio Learning Standards in Financial Literacy. I will share just two examples of the benefits of personal finance education mandates and then I will step aside while my colleagues testify.

The Effects of K-12 Financial Education Mandates on Student Postsecondary Education Outcomes, Montana State University, examines how personal finance graduation requirements in high school change whether or not young adults attend college, the types of institutions attended, and the methods by which individuals finance their postsecondary educations. Students in states with mandates and lower Expected Family Contributions (EFC) made better financial aid decisions as college freshmen, shifting from higher-cost to lower-cost borrowing options. Students with lower EFC increased acceptance of subsidized federal loans, decreased credit card balances and decreased the amount they worked while in school. Students who reside in states with mandates and higher EFCs took on smaller amounts of private loan debt. (<https://www.nefe.org/research/research-projects/default.aspx>)

The second example is from the FINRA Investor Education Foundation-funded Study named State Financial Education Mandates: It's All in the Implementation, examined the effectiveness of strong financial education mandates in Georgia, Texas, and Idaho to states without

mandates. The research analyzed the credit behavior of young adults starting at age 18 until they reached age 22. Credit is just being established during these ages making it difficult to establish a brief credit history. Therefore the 30-90+ days delinquency rates on any credit account, and 30-90+ days delinquent on an auto loan were also analyzed. The study found that a rigorous financial education program has improved the credit scores and lowered the probability of credit delinquency for young adults. (Specifically, credit scores improved by 11, 16, and 32 points in Georgia, Idaho and Texas respectively. 90-day delinquency rates on credit accounts decreased in all three states.

(<https://www.finra.org/sites/default/files/investoreducationfoundation.pdf>)

Together our Alliances strongly support the need to establish criteria for teacher qualifications to teach this course that recognizes existing qualifications and requires additional training for those who hold educator licenses but who do not have adequate training in financial literacy. Teacher training in family and consumer sciences has always included significant course work in financial literacy as financial literacy has been part of family and consumer sciences curriculum since its founding 120 years ago as home economics. The current high school family and consumer sciences course Personal Financial Management carries a career-tech CTAG designation meaning that students who pass the course with a certain score or better are eligible for 3 credit hours at any state community college or university. FCS teachers are deemed qualified to teach a college level course in financial literacy.

Time is one of our most valuable resources. The Ohio Revised Code mandates how children spend time in school. Is financial literacy a must-have for every child regardless of their background or future goals? We believe a 60-hour course in financial literacy is time well spent.

We ask for your support to require a ½ unit course in financial literacy for all Ohio high school students with a rich opportunity to develop the knowledge and skills they will need to make wise financial decisions and to achieve their personal and career goals.

Thank you for this opportunity to testify. I will be happy to answer any questions you may have.