



children's defense fund ohio

**Senate Education Committee
SB 17 - Opponent Testimony
2/14/2022**

**Alison Paxson
Senior Policy Associate
Children's Defense Fund-Ohio**

Chair Brenner, Vice Chair O'Brien, Ranking Member Ingram, and members of the Senate Education Committee, thank you for the opportunity to present testimony in opposition to SB 17.

My name is Alison Paxson, and I am a Senior Policy Associate for the Children's Defense Fund-Ohio. Born out of the civil rights movement, with more than four decades of advocacy, it is our mission to champion policies and programs that lift children out of poverty, protect them from abuse and neglect, and ensure their access to health care, quality education, and nutritional wellness.

Financial literacy or financial wellness education can provide students with key knowledge and skills to make informed and effective decisions about their personal finances which can have long-term benefits on the future economic well-being of students, especially as they leave high school and enter a world of student loans and challenging economic conditions.

Financial literacy courses are an opportunity to educate students about financial information such as credit scores, interest rates, and even stocks – information that especially those children not living in affluent families are less likely to learn at home and could benefit immensely from learning in their K-12 educations. In fact, research shows that financial literacy education has been shown to reduce the likelihood of young people taking such risks as [using payday loans](#) and is positively correlated with [asset accumulation](#) and net worth by age 25. Fortunately, Ohio law dictates that every student entering 9th grade on or after July 1, 2022 must earn one half credit of financial literacy as a graduation requirement, and in 2018, the State Board of Education adopted our current [Financial Literacy Learning Standards](#) and [Model Curriculum](#).

However, Sen. Wilson's proposed changes to these standards and model curriculum – to require the State Board of Education to incorporate academic concepts of free market capitalism – are absurdly unnecessary, especially given an accurate understanding of what financial literacy is and what it is not.

Within our standards, financial literacy is defined as: "as the ability to read, analyze, manage and communicate about personal financial conditions that affect one's material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort,

plan for the future and respond completely to life events that affect every day financial decisions, including events in the general economy.”

There is no sensible place for free market capitalism here because it is an economic system – not a topic of financial literacy. In fact, our own model curriculum makes careful note of this key difference: “The terms economics and financial literacy often are used interchangeably, but these areas of study are dissimilar. Economics is defined as an area of study in the social sciences concerned chiefly with description and analysis of the production, distribution and consumption of goods. Conversely, financial literacy focuses on individuals or families making the best financial decisions in the present and planning for a strong financial future.”

To be plain – SB 17’s proposal to include free market capitalism in financial literacy standards simply does not make sense.

What also does not make sense is why this legislature would use scarce time to give numerous hearings to this bill when there are much more pressing issues in education impacting children leaders can and should be addressing. If eying what might be improved in our educational standards, why not instead address the fact that Ohio still remains the only state in the country without health education standards? This means there are no clear learning outcomes for health education in Ohio at all.

Lastly, Musbah Shaheen, a PhD candidate in educational studies at Ohio State University, submitted an [editorial](#) to *The Columbus Dispatch* last October regarding what is now SB 17, highlighting one clear and expansive issue with the bill’s proposals. “To be clear,” he wrote, “the issue here is not whether capitalism is right or wrong, good or bad.” Instead, he stated, the issue “is equating financial wellness to capitalism, prescribing a specific way of thinking as a ‘standard.’”

When we see Senate Bill 17 in this light, it’s clear that the insertion of free market capitalism as stated in this bill is not just inappropriate to be part of our state’s standards, but also harmful to our students’ educations, denying them rightful opportunities to learn and think critically about various economic systems and their impacts on our world and nation in the past and today.

To set students up for success, we urge you to oppose Senate Bill 17. Thank you.