



Statement on SB 1

Chairman Brenner, Vice Chair Blessing, Ranking Member Fedor, and members of the Senate Primary & Secondary Education committee, thank you for the opportunity to provide proponent testimony to SB 1. Senator Wilson and Senator McColley's bill proposing a semester-long required course in financial literacy for students graduating from high school in Ohio is a critical step toward both preparing them for their futures and strengthening the state's economy.

I am Dr. Julie Heath, and I am the Executive Director of the Alpaugh Economics Center and the Alpaugh Family Chair of Economics at the University of Cincinnati. The Center is the national leader in economic and financial education, providing a variety of teacher workshops, direct-to-student experiences, and providing leadership in advocacy. I have been working in this area for over 30 years, as a Visiting Research Scholar at Princeton University, a published scholar, and working with state governments, corporations, and other nonprofits to design and implement statewide programs that deliver economic and financial education.

From my own and others' work in the field, we know that students who receive financial education save more, borrow less and more responsibly, and have higher credit scores, than those who do not.

Students who receive financial education are better able to navigate the increasingly complex world of financial products and services, making them less vulnerable to choices that are not in their own best interest.

Students who receive financial education are less financially fragile, more resilient in times of economic hardship and upheaval.

Students who receive financial education tend to accumulate less student loan debt, a benefit for both them and the rest of us. Over 60% of Ohio college students graduate with some form of student loan debt, and over 11% of them are in default, putting us as the 16th worst in the country. The average student loan debt in Ohio is about \$30,000. These debts impede young adults' ability to fully participate in our state's economy, prohibiting or significantly curtailing their ability to buy their first home, a car, begin saving, getting married, and any number of other activities that are not only rites of passage but also represent putting money into the economy.

Students who receive financial education have not only learned about money—they've also learned, along the way, how to analyze costs and benefits, about opportunity costs, and have discovered that they have at their disposal, a way to exert some control over their lives. That's good for them, and it's good for us.

We need to ensure consistent coverage across districts and schools to have confidence that every student is getting this critical information. SB 1 does that.

We need to ensure that those teaching financial education have demonstrated a minimal level of proficiency with the subject. SB 1 does that as well.

No one can argue that we teach our children too much financial education. This bill takes an important step to ensure that we don't teach them too little. Again, thank you for the opportunity to provide testimony on this important piece of legislation and I would be happy to answer any questions.