



*BEFORE THE HOUSE EDUCATION AND CAREER READINESS COMMITTEE
PROPONENT TESTIMONY ON HB 108
TUESDAY, MARCH 28, 2017*

Chair Brenner, Vice-Chair Slaby, Ranking Member Fedor and members of the House Education and Career Readiness Committee, thank you for the opportunity to speak before you today regarding House Bill 108. HB 108 requires that high school students complete one-half unit of financial literacy prior to graduation. Certainly we understand that high schools are already teaching different variations of financial literacy based on Ohio Department of Education standards but most do not have a dedicated course. Financial literacy is such a comprehensive area of education that members of the Ohio Chamber would argue can only be adequately covered within the context of a dedicated course offered over an entire semester.

During my research of this topic I discovered that some school districts even offer financial literacy in the seventh or eighth grade. This is a step in the right direction as students can certainly use knowledge of personal finance prior to entering high school when many will get part-time jobs, begin driving and even open their own bank accounts. However, learning personal finance in middle school, or any time prior to high school may be too early as the content covered may not adequately address major financial decisions including large purchases like those of an automobile, home and most importantly higher education.

Some may suggest that a requirement such as this is piling more on to already strained schools and teachers. The fact is, financial literacy is already a high school graduation requirement so all we are doing is asking that it be taught more effectively and ensure that it emphasize the areas of personal finance, the concepts of credit, debt, investments and sound money management. So, why would the Ohio Chamber of Commerce take such a strong position of support for House Bill 108? The simple answer is that our members have been telling us that they often face

challenges with employees that have little to no personal finance skills. Therefore, our Education and Workforce Development committee adopted this as one of their five public policy priorities for the 132nd General Assembly.

When individuals face financial distress, it can affect their lives in many ways including workplace distractions, poor productivity or excessive absences. As a result of their employee's poor financial decisions, employers also face certain consequences. For example, I have heard from business owners that employees who have been short on cash have asked for advances on their paychecks. Also, employers suggest that the risk of employee theft is increased when employees are facing hard times. Possibly even more alarming is that employers have said that they have employees who forego participating in the company retirement plan or even drop their insurance after making major purchases such as a new car. Of course, I cannot attest that the employees in the prior examples had no financial literacy education while in high school but I would like to think that those financial mistakes would have been avoided or reduced if so.

Chairman Brenner, I once again thank you for allowing me to speak on behalf of the Ohio Chamber as a proponent of House Bill 108. I would be happy to answer any questions that you or members of the committee may have at this time.