

February 27, 2023

Chair Steve Cwodziński  
Minnesota Senate Building  
95 University Ave West  
Saint Paul, MN 55155

Dear Chair Cwodziński and members of the Education Policy Committee,

The Minnesota Council on Latino Affairs (MCLA) strongly supports S.F.901.

We recognize the importance of financial literacy and the critical role it plays in ensuring long-term financial stability and success. Incorporating personal finance education into the high school curriculum would provide students with the knowledge and skills they need to make informed decisions about budgeting, saving, debt, and investing. This would have a positive impact on the long-term financial well-being of individuals, families, and whole communities; promote financial stability; reduce poverty; and improve economic mobility in the state.

This is especially true for Latino students, who often face unique financial challenges, including limited access to resources, lower average income, and higher levels of debt.

As a state agency, the Council advises elected officials on matters affecting the Latino community. From our engagement with Latino youth in the state last year, we heard firsthand about the need to integrate financial literacy classes into the high school curriculum. Many participants shared stories about their personal struggles with financial planning and management and shared their wishes to learn about investing and other financial topics to achieve financial security.

For example, one recent high school graduate expressed her regret for not learning about credit and debt before using credit cards. She had no idea how interest rates worked and did not understand the consequences of missing payments, which led to her accruing high amounts of debt. Another participant shared his surprise at the costs associated with attending college and the importance of understanding the true expenses and financing options. He had assumed that all he needed was financial aid to cover these expenses but quickly realized that he needed to do more research and planning to avoid accruing too much debt. He stressed the importance of understanding the true costs of attending college and the various options for financing education.

Many Latino youths also shared with us that, without access to proper financial literacy education, they were forced to rely on financial information and advice on the internet. This is concerning because the accuracy and reliability of this type of information are often difficult to ascertain. We also heard from Latino youths who had to take on the responsibility to learn about banking, budgeting, and other financial concepts on their own and then went on to teach their immigrant parents who lack such knowledge.

These stories show that for many Latino families, financial literacy is a generational issue, and Latino youths are often the ones who take the lead in educating themselves and their families. Financial literacy education in schools, therefore, can empower students with the knowledge and skills to help themselves and their families make informed financial decisions, which can help break the cycle of financial instability and set them on a path to a brighter future. This is even more urgent now when Minnesotan households have seen their income and savings shrinking due to the impact of the pandemic and rising inflation.



For these reasons, the Minnesota Council on Latino Affairs supports S.F. 901 and encourages the committee to vote for the passage of this critical legislation to set our future generations on a path toward financial security and prosperity.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'NHR'.

Nicauris Heredia Rosario, Legislative and Policy Director