

CREDIT UNIONS

February 28, 2023
Senate Committee on Education

Chair Dembrow, Vice-Chair Weber, and members of the Committee, I am Pam Leavitt and represent Oregon's credit unions.

2.3 million Oregonians trust credit unions as their preferred financial services partners. Credit unions' not-for-profit, cooperative structure inherently holds them accountable to the members they serve. They look out for members' financial well-being by providing financial education, loans to first-time homebuyers, support for rural communities, and more. Caring for the community is in credit unions' DNA. You'll find them supporting non-profits, contributing to charities, and volunteering in their communities.

GoWest Credit Union Association and Oregon's credit unions strongly support of SB3, a bill will add one future planning credit to the state's high school curriculum and help students apply crucial financial empowerment standards and life skills to their future. The outline for SB3 was based on the Sept. 2022 report from the Oregon Department of Education, "Community-Informed Recommendations for Equitable Graduation Outline. The detailed "life skills" introduced in the bill's future planning class initiative include guidance on:

- Applying for jobs, preparing a resume, or filling out a job application and developing job interview skills. Applying for admission to a postsecondary institution of education, including applying for financial aid and scholarships.
- Applying financial literacy standards, including filing income tax returns, creating a budget, understanding bank and credit card statements, and planning for retirement.
- Developing career-related skills, including improving employability skills, taking advantage of community-based experiential learning, and gaining knowledge of career opportunities; and
- Seeking assistance, including accessing community resources and acting as a self-advocate for mental, physical, and financial well-being.

By further establishing these skills as a key curriculum building block in our schools, SB3 will better prepare students for their future adult lives by providing the foundation necessary to build strong money habits early on and avoid future mistakes that can lead to lifelong financial struggles. This financial wellness curriculum powerfully signals the state's commitment to help young Oregonians better influence their financial futures. There are currently 15 states that guarantee

their high school schoolers will take at least one personal finances course and other states that have some financial empowerment requirements in their curriculum.

The recently released, “Oregon Financial Wellness Scorecard”, developed based on recommendations of the Treasurer’s Financial Empowerment Advisory Team outlines several issues to support the need for this additional credit to our curriculum. Of particular interest: “The level of financial knowledge is falling overall based on survey answers, and Oregonians — especially in rural and underrepresented communities — are less confident in their ability to make good financial decisions. In addition, Oregonians with less financial knowledge, based on a seven-question quiz, are more likely to experience stress and less likely to save. And Oregonians of color are more likely to experience financial stress, regardless of income level.”

A society of financially literate consumers, who can avoid scams, predatory lenders and the enticement of over-spending will never emerge without financial education in schools. Although including financial education as an elective course is a step in the right direction, teenagers should not be expected to understand the significant impact that smart spending, saving, and investment decisions will have on their futures. To truly combat financial illiteracy, we believe financial education should be considered a higher priority. American's young adults lack the basic personal finance knowledge needed to make the most of their money. Clearly, with today's rising number of personal bankruptcies, increases in consumer credit delinquencies, and inadequate retirement savings, the need to teach financial literacy in our high schools is critical.

Several of our credit unions have spent countless hours teaching financial education in Oregon classrooms, at community and senior centers, as well as providing free seminars to their members. A GoWest Community Impact survey found that in 2021, credit unions in Oregon provided free financial education to 17,000 children and 25,285 adults. Financial education has long been a cornerstone of credit unions' services to help members build brighter financial futures.

Credit unions throughout Oregon are very involved with the public education system, by supporting thousands of scholarships to students wanting to go on to college; supporting Oregon’s teachers by providing special home-buying programs; and most importantly, providing thousands of hours of course work training in the area of financial education. Credit union staff work with schools to teach classes on financial education, and some of our members even support student-run credit unions in the high schools – paid for and supported by the local credit union. Here are just a few examples:

Rivermark Community Credit Union, Beaverton – Rivermark is intentional about accomplishing its mission of building financial empowerment together. Rivermark has committed significant time and financial resources to train and develop a team of 47 certified financial coaches that provide both one on one and group financial education. A big focus is on community programs and K-12 outreach programs. Rivermark partners with Financial Beginnings to obtain training and educational resources that are specifically designed for K-12 audiences. They have been participants in the annual Lemonade Days event, focusing on public school entrepreneurship among students, Bridgeview Resource Center annual Resource Fair, where they conduct an educational workshop for students in the community, and the Urban League of Portland's Bite of Reality event. Bite of Reality is an interactive application developed to show teens/young adults about the reality of life expenses and budgeting to meet basic needs. Beyond education, the credit union has worked diligently to develop financial products that are specifically designed to allow youth to implement their financial education into product choices that build strong financial capability."

Mid Oregon Credit Union, Bend - Being founded by educators in 1957, Mid Oregon Credit Union has always prioritized financial literacy for Central Oregon students. In addition to in-class and virtual workshops, Mid Oregon has worked with Junior Achievement and other community partners to provide leadership and deliver financial instruction in schools. They have a student-run branch in La Pine High School which has a population of about 435 students in a rural area that is Low Income Designated. Over the years they have supported JA Finance Park, which offered a group field trip experience. Since 2019 Mid Oregon has found great success with Bite of Reality Financial Simulations presented at local high schools. Even with COVID restrictions, Mid Oregon has organized 25 simulations for 16 schools, enlisting over 350 volunteers including business leaders, city and county elected public officials, school board members and the current Oregon Superintendent of the Year. Almost 1,100 students have participated in the app based 'real world simulation' that guides students through a day in the life of an adult, making personal financial decisions. Each has a unique persona, including occupations, income, family descriptions, credit scores and student loans.

<https://ktvz.com/community/one-class-at-a-time/2021/06/11/one-class-at-a-time-realms-hs-students-learn-budgeting/>

InRoads Credit Union, St. Helens – InRoads has been delivering financial education and financial reality fairs to high school students in Columbia County for many years. Partnering with Financial Beginnings, InRoads team members teach the basics of banking, budgeting, and credit. Students are particularly interested in understanding how credit works so they can make smart decisions to build and maintain a strong credit score. Last year nearly 300 students received in-classroom education from InRoads. In addition, InRoads brings a "Bite of Reality" to high school

juniors through hands-on learning. During these financial reality fairs students receive a career, a spouse, a child, a credit score, and debt and must make all the financial decisions for this family while staying within their budget. 470 students at three local high schools took part in the Bite of Reality program. InRoads provides ongoing financial education for members through a partnership with Balance and by connecting with local businesses to offer financial wellness to employees.

Pacific NW Federal Credit Union, Portland - With an experienced teacher on staff, PNWFCU is working with K-12 schools and organizations to create a groundbreaking financial education program to counteract the lack of financial literacy in Oregon. They recently expanded their program to help Oregon schools meet new recommendations for 'future planning' courses, including interviewing skills and resume-building lessons. Since 2020, we've had over 5,000 lessons downloaded from our site and have spent more than 100 hours in the classrooms teaching throughout the Portland-Metro area. All modules include worksheets, instructions, and everything teachers need to teach online or in the classroom and can easily be adapted to fit the individual needs of students and teachers.

OnPoint Community Credit Union

Over the last 90 years, OnPoint Community Credit Union has built itself to be a trusted institution that gives back to its members and works tirelessly to fulfill our purpose of cultivating strong communities through financial well-being. This year, we have eliminated our Non-Sufficient Funds (NSF) and Overdraft Transfer Service fees, and reduced our Overdraft Fees; a change that aims to build resilience when our members face unplanned financial events. In 2022, OnPoint invested \$400,000 in programs amplifying community-based approaches to increase financial wellness and \$2.3 million dollars overall with 377 community partners in Oregon and SW Washington. OnPoint members completed 3,735 financial wellness and stress assessments providing personalized insight for their unique goals. Through the financial counseling program with GreenPath Financial Wellness, members solidified their plans to payoff \$1.2 million in unsecured debt through managed repayment plans.

OnPoint has always understood that investing in education is one of the best ways to build thriving communities. We are proud to honor our roots as an educator-founded financial co-operative and the teachers who continue to support students through the OnPoint Prize for Excellence in Education. Now in its 14th year, the campaign will award up to \$193,000 to educators and schools in May. Additionally, in 2022 we engaged 17,100 students with financial education classroom learning and more than 26,000 adults through online educational sessions, seminars, webinars, and events including employee benefits fairs and workforce development programs. We could not make these meaningful connections without our incredible employees who work and live in the communities we serve and use their unique perspectives and generosity to advocate for their neighbors. Last year, OnPoint

employees provided 360 hours of volunteer time to help community members increase their financial well-being.

Those are but some examples of the work credit unions do day in and day out to promote financial wellness. We believe SB3 provides the best opportunity to bring these important life skills and financial empowerment skills back to more of our students and our classrooms.

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