

HB0811 - EEE - MBA - FAV - GR24.pdf

Uploaded by: Evan Richards

Position: FAV



HB 811 - Higher Education - Financial Well-Being Pilot Program - Establishment

Committee: Senate Education, Energy, and the Environment Committee

Date: March 20, 2024

Position: Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** HB 811. This legislation establishes the Financial Well-Being Pilot Program at the University of Maryland, College Park and Morgan State University. The Program will require each institution to hire a full-time financial well-being coach who is responsible for providing financial guidance and coaching to certain students.

MBA and its members recognize the critical importance of financial literacy skills and have long viewed this as a key priority. Maryland banks work consistently to help provide financial education programs and resources that make communities better, as it is more important than ever that young Marylanders understand that creating and maintaining a banking relationship, and having a good credit history, is essential to their futures.

Young Marylanders who attend college begin making significant financial decisions before even stepping onto campus. These decisions can have a lasting impact on a student's financial situation long after they have graduated and entered the workforce. Having a financial well-being coach on campus will ensure that young Marylanders have access to necessary guidance that will allow well-informed financial decisions to be made.

Accordingly, MBA urges issuance of a **FAVORABLE** report on HB 811.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing more than 26,000 Marylanders and holding more than \$209 billion in deposits in over 1,200 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.

HB 811 - Financial Pilot - FAV - REALTORS.pdf

Uploaded by: Lisa May

Position: FAV



House Bill 811 – Higher Education - Financial Well-Being Pilot Program - Establishment

Position: Support

Maryland REALTORS® supports efforts to increase financial awareness in the state. We therefore ask for your support for the creation of a Financial Well-Being Pilot Program as proposed in HB 811.

Financial literacy and understanding is a key factor in achieving homeownership. Recent results from a statewide poll conducted by Maryland REALTORS® outlined several of the difficulties that our state's residents have in achieving homeownership are directly tied to financial decisions they make, often at a young age:

- 79% say having too much consumer credit card debt is a huge or medium obstacle.
- 78% say having too much student loan debt is a huge or medium obstacle.
- 86% say saving for a down-payment and closing costs is a huge or medium obstacle.

This is part of the overall trend of Millennials and Gen Z continuing to lag the homeownership rates achieved by Gen X and Baby Boomers at the same age. While this cohort still values homeownership, many expect they will not become homeowners until their mid-thirties to early-forties.

More Marylanders will be able to achieve their financial goals and better position themselves to achieve generational wealth for the future with the assistance provided by this Pilot Program.

For this reason, REALTORS® asks for a favorable vote on HB 811.

**For more information contact lisa.may@mdrealtor.org
or christa.mcgee@mdrealtor.org**

03.19 (Crossover) - HB 811 - Higher Education - Fi

Uploaded by: Lonia Muckle

Position: FAV



HB 811 - Higher Education - Financial Well-Being Pilot Program - Establishment
Education, Energy, and Environment Committee
March 20, 2024
SUPPORT

Chair Feldman, Vice-Chair Kagan and members of the committee, thank you for the opportunity to submit testimony in support of House Bill 811. This bill would establish the Financial Well-Being Pilot Program at the University of Maryland, College Park Campus and Morgan State University to provide comprehensive financial guidance and coaching for students.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

CASH staffs the Financial Education and Capability Commission which is chaired by Senator Brooks and Delegate Stein. The Commission has four core tasks, including improving the financial education and capability of residents in Maryland. They also helped develop the Financial Education and Capability Awards that honors teachers, individuals and organizations that serve as leaders in financial education. In 2020, the Commission officially endorsed the Survey of Postsecondary Institutions (SPIN) which was commissioned by the Woodside Foundation, written by Tisa Silver Canady, EdD, MBA and published in partnership with the CASH Campaign of Maryland. This project seeks to create a comprehensive approach in providing financial education programs to post-secondary students. Read the full report here: [Campus-Based Financial Education in Maryland: A Survey of Post-secondary Institutions \(SPIN\)](#). The survey found that there needs to be more resources for students and on-campus professionals in providing financial education.

HB 811 will allocate funds for each participating institution to hire one full-time financial well-being coach, who will create a document with best practices and guidance for other institutions to use to create a financial well-being program. Investing in financial education for youth is beneficial to both individual Marylanders and the state as a whole. When young adults have low levels of financial education, they are more likely to make poor financial decisions, investments, and have greater rates of poverty. Young adults in the United States owe over \$1 trillion in debt, and 70% of millennials live paycheck to paycheck.¹ It is crucial for the state of Maryland to invest in the resources to teach our young residents how to invest in the future and in themselves.

HB 811 will create a thorough financial coaching program for young adults as well as establish new positions of financial well-being coaches at the University of Maryland College Park and Morgan State. This will benefit both college students and the workforce in Maryland.

Thus, we encourage you to return a favorable report for HB 811.

¹ United Way: <https://unitedwayna.org/blog/financial-literacy-for-youth/>

Financial Well-Being Pilot

Uploaded by: Omar Escudero

Position: FAV

**Testimony in Support of House Bill 811: Higher Education - Financial Well-Being Pilot
Program - Establishment
March 20, 2024**

Good afternoon members of the Education, Energy, and the Environment Committee. My name is Omar Alexander Escudero. I am a Latino, first-generation, undergraduate Government and Politics student at University of Maryland: College Park. I am also a legislative aide for a member of the House, a manager-in-training at a grocery store, a member of UMPD student police auxiliary, and represent off-campus outlying students as an appointed representative for the UMD Student Government Association. While I am *only* representing myself as a University of Maryland Student today, I felt it important to note the roles I take on every day to illustrate one thing: *I'm stretched pretty thin.*

Between these obligations, I pack almost 60 hours of work, school, and overnight shifts into my week to make ends meet financially. The reason why is due in part to the fact that I alone manage all the costs of my tuition, my housing, food, and utilities, with limited financial aid from my job, and *no* financial aid from the university.

It is then very disheartening to seek relief and direction from our financial aid counselors, and instead of answers, or a course of action, be met with well-intentioned bromides about personal loans and scholarship applications, and little else. It's dejecting to think about the possibility of dropping out because of financial reasons, especially being only a year away from graduation.

First generation students like me are the most vulnerable to this scenario. A [2022 study published in the Journal of College Student Retention](#) examined first-gen undergraduate outcomes, and found that they were not only less financially and academically prepared for college, but the most likely group to drop out due to financial reasons (this was expressed in values between -1 and 2, lowest meaning persist behavior and highest meaning likelihood of leaving higher education).

HB811, if enacted, can offer the first step in changing the trajectory of these facts towards the better. By giving access to financial guidance and coaching at UMD and Morgan State, and providing the framework for institutions across Maryland, we have a unique opportunity to ensure, in the words of our Governor, that our success is not measured by whether we were the first, but rather, that we are not the last.

I urge a favorable report on **House Bill 811**. Thank you.

Omar Alexander Escudero

Letter of Support - 2024HB811.pdf

Uploaded by: Tisa Silver Canady

Position: FAV

Greetings Chair Feldman, Vice Chair Kagan and members of the Senate Education, Energy, and the Environment Committee.

My name is Dr. Tisa Silver Canady, and I am the founder and executive director of the Maryland Center for Collegiate Financial Wellness (MCCFW).

Prior to starting MCCFW, I worked at the University of Maryland, Baltimore as the director of financial education and wellness. I was responsible for campuswide programming, individual advising on personal finance issues and student loan repayment. My role was the only Director level position dedicated to student financial well-being in the state. I left the University in 2017 and I have not seen a similar role within Maryland since. However, I have seen an increase in demand for the services I was responsible for, in fact the demand is so great, it led me to establish a nonprofit organization dedicated to helping Maryland's college and career school students build financial life skills, including how to make more informed decisions about the financial side of higher education.

Many people think college students don't have to worry about money or they are privileged to be in school and eventually they will be alright. But finances are an oft-cited reason for withdrawal and what is happening with a student's finances can wreak havoc on their academic progress and their personal well-being.

During my time at UMB, I can recall helping a student search for a security deposit and first month's rent after a domestic violence incident with their live-in partner. Another student had allowed mail to pile up because the thought of what was inside caused her physical and mental distress. She brought the mail in, we opened every letter, sorted the letters by creditor, placed them in chronological order, and developed a list of next steps so that she could reclaim control of her finances. Other students reached out with challenges such as facing food insecurity, covering childcare costs, and even trying to stave off a pending eviction.

More routine interactions included helping graduating students develop an individual strategy to repay their student loans. And at peak time, a student had to owe more than \$200,000 to get on my calendar. This type of personal, reliable, unbiased, and free service should not be reserved only for future doctors, dentists, and high earners.

HB 811 provides targeted and specific support to students at the University of Maryland College Park and Morgan State University. From my experience at UMB and helping students and graduates from both institutions through MCCFW, I suspect that once word of a financial well-being coach on campus spreads, you will see more than enough demand to support keeping such positions beyond the pilot phase proposed in this bill.

Ideally, every college and career school in Maryland would have at least one trained staff member on campus to support student financial well-being. Every student should have access to such support at a time when they are pursuing the most expensive endeavor of their lives and many are relying on student loans to pay for school. Financial well-being support can help them make more informed decisions and improve the chances that their pursuit of higher education ends with success.

Thank you for your consideration. I ask that you return a favorable report on HB811.

Best,

Dr. Tisa Silver Canady
Founder and Executive Director
Maryland Center for Collegiate Financial Wellness