

REPORT ON FINANCIAL LITERACY IN MASSACHUSETTS

PROGRESS REPORT: YEAR II

In just **two years**, the Office of Economic Empowerment (OEE) and the Economic Empowerment Trust Fund implemented **19 of the 22** recommendations issued by the Massachusetts Financial Literacy Task Force in their 2015 report. Below are highlights of the progress we have made:

OVERARCHING RECOMMENDATIONS

- ✓ Supported several legislative proposals that advance the overall goals and recommendations of the report, including:
 - An amendment to the FY2017 budget (Section 123), eliminating the “asset test,” a critical barrier preventing families from saving in a 529 college savings account (Chapter 133 of the Acts of 2016);
 - Supported the passage of H4569, which provides a tax deduction for families using a 529 college savings account (Chapter 219 of the Acts of 2016);
 - House Bill 41 introduced by Treasurer Goldberg, which would create a pilot program that notifies University of Massachusetts students about their pending student loan obligations and estimates their monthly payments;
- ✓ Communicated with stakeholders about the importance of the family dynamic and a multi-generational approach to the delivery of financial education; and
- ✓ Promoted a public financial education awareness campaign.
 - Launched first of its kind website MyFinancialLifeMA.org to make financial education digitally accessible.

K-12 RECOMMENDATIONS

Through the **Financial Education Innovation Fund**, a program that has awarded grants to over 73 high schools serving 30,000 students, OEE and the Commonwealth’s Division of Banks have successfully:

- ✓ Encouraged the development of programming that promotes financial education among K-12 youth;
- ✓ Provided training, professional development, and best practices to K-12 financial education providers;
- ✓ Incentivized increased collaboration between K-12 education providers; and
- ✓ Developed a method of evaluating the personal finance decision-making, knowledge, skills, confidence, and behavior of K-12 students to assess financial literacy.

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COLLEGE RECOMMENDATIONS

The **SeedMA** and **SoarMA** programs are designed to help Massachusetts students and their families save for post-secondary education and training, in partnership with the Massachusetts Educational Financing Authority (MEFA). These programs have already:

- ✓ Provided students and their families with information on how to finance and save for college;
- ✓ Increased the financial capability of college and college-bound students; and
- ✓ Improved the accessibility of college affordability tools.

Through our participation on the Attorney General's Student Debt Working Group and Reach Higher Massachusetts we are working with partners across the Commonwealth to expand access to higher education planning, and educate students and families about financial aid and taking on debt. This work has met the goal of:

- ✓ Establishing a College Financial Readiness Advisory Group to provide guidance and expertise.

ADULT RECOMMENDATIONS

The **Women's Economic Empowerment Series**, a free financial empowerment workshop series focused on wage negotiation, money management, and retirement, served hundreds of women across the Commonwealth and has successfully:

- ✓ Expanded access to specific transactional financial education and advanced individual financial coaching for individuals with complex financial issues;
- ✓ Created public-private partnerships to expand access to basic financial education;
- ✓ Identified and mobilized volunteer networks to provide financial education; and
- ✓ Provided financial education for women to enhance their economic standing.

The relaunch of **Operation Money Wise** as a grant opportunity for organizations serving veterans, service-members, and their families has provided \$25,000 in funding and:

- ✓ Increased financial education accessibility to the Military, Veteran, Family, and Survivor Community (MVFSC); and
- ✓ Advanced financial capability by coordinating with related federal and state agency efforts.

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In partnership with People's United Bank and community partners across Massachusetts, OEE hosts financial literacy workshops that help protect elders from financial exploitation.

- ✓ Activated public-private partnerships to support local seniors and the education and counseling that best serve at-risk elders;

Working with new Americans has been a priority. SeedMA, SoarMA, WEES, and the Senior workshops have all connected immigrant families with reliable financial education their native languages. OEE also supported the partnership between Office of Refugees and Immigrants (ORI) and People's United Bank to create a series of financial education events to support successful resettlement.

- ✓ Worked with the ORI to connect their constituency with reliable financial education, resources, and services.

REMAINING RECOMMENDATIONS: LOOKING AHEAD TO 2018

In year three, the OEE and the Economic Empowerment Trust Fund will work to implement the following and final recommendations of the Financial Literacy Task Force Report. Through the SoarMA program, OEE is already actively planning for the remaining two College Recommendations and expects to implement all recommendations by the end of 2018.

COLLEGE RECOMMENDATIONS

- Identify and promote informed career exploration within high schools, organizations serving out-of-school youth, and institutions of higher education.
- Provide educators and counselors with the tools they need to teach and incorporate financial education into their curriculums and programs.

OVERARCHING RECOMMENDATIONS

- Aggregate, maintain, build upon, and increase accessibility to all financial education activities and initiatives in the state.

