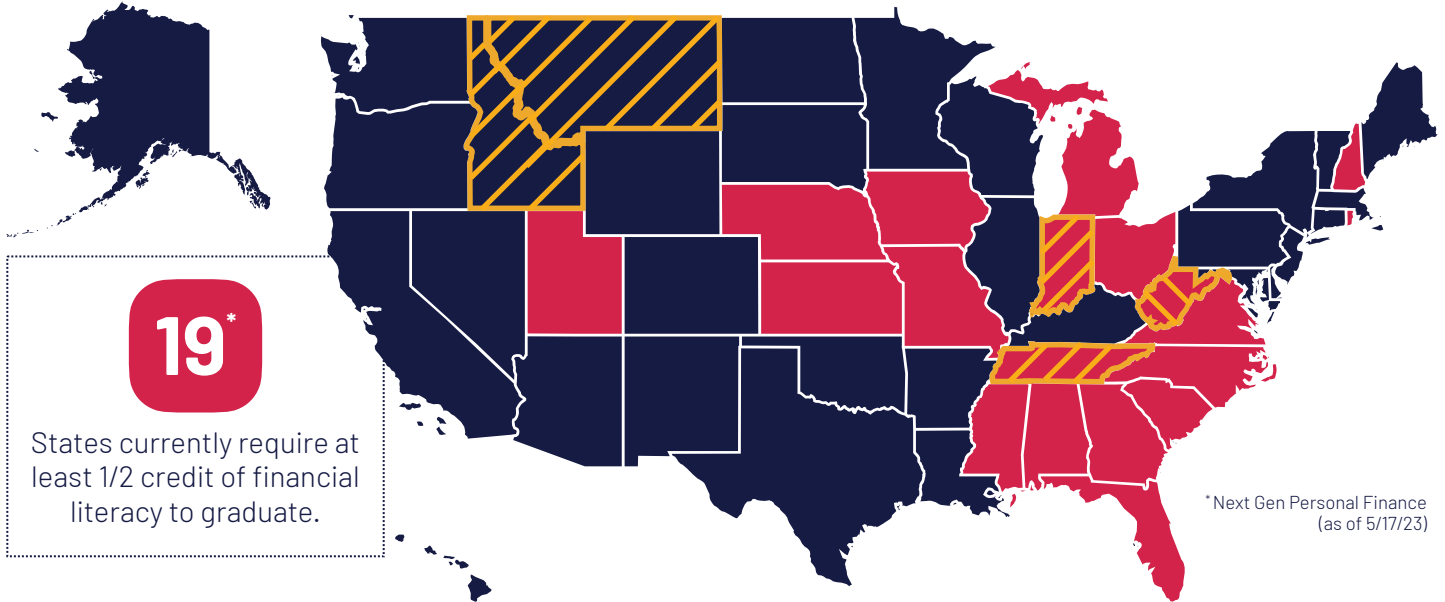


States Requiring Financial Literacy Education in High School



2023 state legislative sessions financial literacy updates:

98 Bills were introduced across 32 states (YTD).

6

Bills have been passed in five states (YTD).

Financial Literacy is a vital component of healthy financial lives for all Americans:

- 62% of all Americans are living paycheck-to-paycheck.¹
- A 2022 report by National Financial Educators Council (NFEC) called financial illiteracy an **epidemic** in America and estimated a total unnecessary loss of \$436B for American adults.²

FPA supports legislation to include financial literacy in high school graduation requirements.

- Financial literacy is a vital component to prepare students for independence and financial wellness. There is robust research³ on the efficacy of high school financial literacy education on adult financial behavior:

"...young adults who were required to take personal finance courses in high school were significantly less likely to borrow payday loans than their peers who were not. These effects do not significantly differ by race/ethnicity or gender, suggesting that financial education may be useful regardless of demographics."

FPA encourages schools to teach the basic components of personal financial management to help with vital financial functions, including credit, savings, loans, home and rent responsibilities and how to manage debt responsibly.

¹ <https://ir.lendingclub.com/news/news-details/2022/Three-in-Five-Americans-Live-Paycheck-to-Paycheck-More-People-Are-Living-Paycheck-to-Paycheck-but-Making-Ends-Meet-Than-Not-Living-Paycheck-to-Paycheck/default.aspx>

² <https://finance.yahoo.com/news/financial-illiteracy-epidemic-americans-lost-130000017.html>

³ Harvey, M. (2019) Does State-Mandated Financial Education Affect High-Cost Borrowing? FINRA Foundation. https://www.finrafoundation.org/sites/finrafoundation/files/Does-State-Mandated-Financial-Education-Affect-High-Cost-Borrowing_0_0_0.pdf