



**DRAFT – Not yet approved by the commission.**

**Vermont Financial Literacy Commission**

January 9, 2017

**Vermont Financial Literacy Commission Members Present:**

Beth Pearce, Co-Chair, Vermont State Treasurer's Office  
John Pelletier, Co-Chair, Champlain College  
Courtney Poquette, Winooski High School  
Lisa Falcone, United Way of Northwest Vermont  
Linda Tarr-Whelan, Tarr-Whelan Associates  
Mary Niebling, Central Vermont Community Action  
Mark Perrin, State Board of Education  
Sabina Haskell, representing commission member Scott Giles  
Thomas Leavitt, Northfield Savings Bank

**Also Present:**

Dylan Giambatista, Vermont State Treasurer's Office  
Solveig Overby, citizen  
Barbara White, citizen

**CALL TO ORDER:**

Mr. Pelletier, Co-Chair, called the meeting to order at 2:05 p.m. The meeting was held in the Common Room of VSAC, 10 East Allen Street, Winooski, VT 05404.

**Item 1: Approval of Meeting Minutes**

Mr. Pelletier presented the December 19, 2016 draft meeting minutes. Ms. Tarr-Whelan moved approval of the minutes. Ms. Niebling seconded the motion. Mr. Perrin abstained from approving the minutes, citing that he was unable to attend the December 19, 2016 meeting.

**Item 2: Discussion and overview of draft**

Mr. Pelletier presented the updated draft of the Financial Literacy Commission report. He suggested several edits, including that the sources be consolidated and moved to a source section within the document.

Mr. Pelletier noted that Ms. Tarr-Whelan had prepared additional edits to the report. Ms. Tarr-Whelan provided an explication of the introduction section she authored. She explained that the updated language had been developed after hearing newly elected officials present their priorities.

Ms. Niebling voiced general support for Ms. Tarr-Whelan's revised introduction. Mr. Leavitt agreed that the draft changes were helpful additions.

Ms. Tarr-Whelan and Ms. Niebling recommended a stylistic edit. They suggested that each report section title (K-12, Higher Education, Adult) be removed from all pages other than the first page of each section. Commission members agreed with the suggestion.

Mr. Pelletier noted that Ms. Garand was unable to attend the meeting. He read written comments provided by Ms. Garand, which suggested that the draft document would benefit from the addition of more credit management information. Mr. Pelletier presented language for inclusion: *"Your credit score matters when you apply for a credit card or purchase a home or car. It is also used in other everyday situations, like renting an apartment, buying insurance, signing up for certain utilities, and even getting a new job. The key point is that your credit score and borrowing history impacts your daily life."* Commission members voiced general support for the update.

Mr. Pelletier explained that Ms. Garand had also expressed interest in revising language related to the letter grades Vermont had received as a measure of its citizens' financial capability. After discussion, Commission members determined that the issue was addressed in Ms. Tarr-Whelan's revised introduction draft, and subsequent sections.

Ms. Tarr-Whelan asked whether it would be helpful to add content to clarify where Vermonters succeed and struggle with personal finance skills. Mr. Pelletier noted that the Public Retirement Study Committee had sourced compelling data that demonstrated how accumulating savings improved Vermonters' financial success. He presented additional findings that substantiated that saving for future needs increased tax revenues and led to a reduction in State benefit payments.

Ms. Tarr-Whelan echoed Mr. Pelletier and noted similar findings in the Governor's Council on Pathways from Poverty's 2016 report. Ms. Falcone asked whether the Governor's report had explicitly referenced the impact of savings on economic outcomes. Ms. Tarr-Whelan confirmed that it did.

The Commission determined that it would recommend several changes to the draft report including: 1) amending Ms. Tarr-Whelan's introduction edits to change the title to *"The Current Situation"*; 2) adding Mr. Pelletier's proposed language addressing credit; 3) striking "individuals" on page 6, amending it to "Vermonters," and; 4) moving all sources from their topical category to a consolidated source page to follow the adult recommendations section.

After discussion, Ms. Tarr-Whelan made a motion to change the document, as amended. Ms. Niebling seconded the motion. Commission members unanimously approved the measure.

Mr. Pelleiter asked about whether it would be appropriate for a subgroup to form and finalize the report on behalf of the Commission. Ms. Pearce supported the measure, noting that there was limited time prior to the submission deadline. Mr. Leavitt echoed Ms. Pearce's comments and suggested that the Commission support Ms. Pearce's recommendation. A general discussion followed.

Ms. Falcone inquired as to whether Vermont had recently passed protections to prevent the misuse of credit scores as a determining factor for obtaining certain goods or services. Mr. Pelletier confirmed and provided examples of how the legal change could be applied.

Ms. Tarr-Whelan requested that, prior to submission, the final draft of the Financial Literacy Commission report be circulated to the Commission members who were not present at the January 9 meeting. Mr. Pelletier reiterated the request and noted that the revised document would be shared with Mr. Brown, Ms. Garand, and Ms. Reid.

Mr. Leavitt questioned whether Ms. Haskell's name should appear on the report, given that she had participated as Mr. Giles's de facto designee on the Commission. Commission members generally agreed that Ms. Haskell should have discretion over whether her name was listed.

Ms. Falcone requested that, prior to submission, the report undergo one final proof for grammar and style. Ms. Haskell offered to complete the examination and final edits.

Mr. Pelletier asked members to approve the amended report and provide him, Ms. Pearce, Mr. Giambatista, and Ms. Haskell with permission to execute final, non-substantive edits. Mr. Leavitt voiced his support for Mr. Pelletier's plan and made a motion for the Co-Chairs, with support of Mr. Giambatista and Ms. Haskell, to review and submit the final report.

Prior to taking the vote, Ms. Niebling inquired about whether the report's citations were properly presented. Ms. Tarr-Whelan noted that some sources lacked specificity. She requested that the final proofing subgroup review all citations and improve them, where needed. Mr. Giambatista agreed to review and finalize citation formatting.

Ms. Tarr-Whelan voiced concern that the document ended abruptly following the Adult section. She recommended some form of conclusion be included immediately following the Adult Recommendations. Commission members generally agreed.

It was determined that the "Top Recommendations" on page 8 would be duplicated and inserted into a Conclusion section following the adult recommendations on page 20. The Commission approved incorporate conclusion language, reading "[w]e welcome the opportunity to discuss with you next steps for implementing these priorities and increasing the financial well-being of Vermonters."

Mr. Pelletier questioned whether it was appropriate to make recommendations about the Commission's future beyond its July 1, 2018 repeal date. Ms. Pearce suggested that the Commission present the report to the General Assembly this winter, and then return to meet in March, or at a mid-session point, for a status review.

Mr. Leavitt emphasized the importance of submitting the report publicly. He asked Commission members if they had contemplated how the report could be shared with the press and other interested parties. Ms. Pearce indicated openness to developing a public relations strategy. Ms. Niebling noted that an Earned Income Tax Credit day was planned for January 27. She suggested that that occasion, or a similar occasion, might be a suitable opportunity to hold a press conference.

Mr. Giambatista presented the standing committees of the General Assembly that the report would be transmitted to: the House Committees on Commerce and Economic Development, on Education, on Government Operations, and on Human Services; and the Senate Committees on Economic Development, Housing and General Affairs, on Education, on Government Operations, and on Health and Welfare.

Ms. Tarr-Whelan inquired about whether there were additional ways, beyond committee testimony, to brief legislators on the Commission's findings. Mr. Giambatista noted that caucus leaders periodically invite groups to present topics to members of their respective caucuses.

### **Item 3: Approval of draft**

Mr. Leavitt's earlier motion to deputize the Co-Chairs, Mr. Giambatista and Ms. Haskell, to review and submit the final report, after receiving written approval from Mr. Brown, Ms. Garand, and Ms. Reid, was restated. Ms. Niebling seconded the motion.

Prior to Mr. Pelletier calling the vote, Ms. Overby asked whether she could give public comment prior to the final vote. Ms. Pearce recognized Ms. Overby.

Ms. Overby noted the importance of the Treasurer's Office's Reading is an Investment program. She urged Commission members to make reference to the program within their report.

Ms. Pearce thanked Ms. Overby for her comment. She noted, however, that the question before the Commission was whether to authorize technical draft changes to the report – not substantive changes. Ms. Pearce recommended that the Commission address the vote before opening up discussion to additional public comment.

Ms. Overby thanked Ms. Pearce for her explanation, but requested that she be allowed to provide additional comment. After discussion, Ms. Pearce agreed.

Ms. Overby noted the importance of financial capability. She shared an example about municipal finance. She urged the Commission to incorporate language addressing municipal debt. Ms. Pearce expressed that she would be happy to meet with Ms. Overby to discuss municipal finance and debt, but that the current question did not relate to substantive changes. Ms. Pearce further extended to Ms. Overby the opportunity to attend the next meeting of the Capital Debt Affordability Advisory Committee.

Mr. Pelletier referenced the Financial Literacy Commission's enacting statute and noted that, while Ms. Overby's example was helpful, it didn't fit within the "personal finance" criterion that the Commission was created to address. Ms. Overby thanked the Commission for the opportunity to offer public remarks.

Mr. Pelletier made a motion to deputize the Co-Chairs, Mr. Giambatista and Ms. Haskell, to review and submit the final report, after receiving written approval from Mr. Brown, Ms. Garand, and Ms. Reid. Ms. Niebling seconded the motion. All present Commission members voted in favor of the motion, with the exception of Ms. Poquette, who abstained, noting that she had missed part of the meeting.

Mr. Pelletier discussed possible timing for the next Financial Literacy Commission meeting. Ms. Pearce observed that the busy schedule of the legislative session would make it more difficult to meet on a monthly basis. Mr. Pelletier suggested that he and Co-Chair Pearce hold off on calling the next meeting until further notice.

Mr. Pelletier returned to the subject of a public relations strategy for sharing the Commission report. He asked whether the Treasurer's Office would issue a press release for when the report was submitted to the Governor and General Assembly. Ms. Pearce stated that she did not plan to issue a press release for the Financial Literacy Commission report, but that perhaps a subsequent press opportunity would appear later in the winter.

Ms. Tarr-Whelan suggested it might be helpful to develop a resource summarizing the report and its findings prior to release of the report. Mr. Pelletier agreed, and offered to assist in developing a set of talking points for Commission members.

Ms. Pearce gave an update on the State's ABLE savings initiative. She shared that Vermont's ABLE program would be up and running by the end of February.

Ms. Pearce provided an overview of the Public Retirement Study Committee's report. Mr. Giambatista said that he would transmit the Public Retirement Study Committee's report to Commission members for review.

Mr. Pelletier shared that Champlain College's Center for Financial Literacy had been awarded a \$120,000 challenge grant to restart its teacher training programs. He noted that the grant requires a \$170,000 match, over four years, for a \$290,000 total investment.

Ms. Tarr-Whelan asked Mr. Perrin for an update on the State Board of Education's Education Secretary search. Mr. Perrin explained that final interviews would be conducted Friday, January 13. He further clarified that the Board would put forward three candidates for consideration.

#### **Item 4: Public Comment**

Ms. White thanked Commission members for their work and commended the report as a great first step. Ms. Overby echoed the comments and thanked members for their work.

**Item 5: Adjournment**

Ms. Pearce made a motion to adjourn. Mr. Perrin seconded. Mr. Pelletier adjourned the meeting at 3:27 p.m.