

Vermont Financial Literacy Working Group Meeting Minutes

September 11, 2018

Vermont Financial Literacy Working Group Members Present:

Beth Pearce, Vermont State Treasurer
Dylan Giambatista, Treasurer's Office
Jill Rickard, Department of Financial Regulation
Stephanie Brackin, Department of Financial Regulation
Deborah Carroll, Department of Taxes
Lynette Kemp, Department of Taxes
Paul Dragon, Agency of Human Services
Seán Sheehan, Department of Vermont Health Access
Jess DeCarolis, Agency of Education
Heidi Whipple, Agency of Education
Martha Deiss, Agency of Education
Cass Mabbott, Department of Libraries
Vincent Livoti, Department of Libraries
Heather Pelham, Chief Marketing Officer
Chris Curtis, Attorney General
Kari Miner, Department of Human Resources
Mathew Barewicz, Department of Labor

Also Present:

Sara Myers, Treasurer's Office
Sabina Haskell, Vermont Student Assistance Corporation

Minutes

Treasurer Pearce welcomed the Financial Literacy Working Group at 10:08 am. Attendees briefly introduced themselves.

Treasurer Pearce gave opening remarks, summarizing the Treasurer's Office's financial literacy and savings programs. Treasurer Pearce shared statistics relating to Vermont citizens' financial capabilities and reviewed the memorandum of understanding between the Department of Financial Regulation and Treasurer's Office responsible for the formation of the working group.

Dylan Giambatista (TRE) discussed the work of the Financial Literacy Commission and their recommendations. Noting that the Commission's focus areas were organized into the three buckets of K-12 education, higher education, and adult education, he asked if representatives of the Agency of Education could speak to their work integrating financial literacy into school curriculum.

Martha Deiss (AOE) informed the group that the State Board of Education has adopted the Jump\$tart financial literacy standards, and that they had just come from a meeting with the Jump\$tart board. She discussed their plans for developing materials and resources spanning curriculum in which financial literacy concepts can be integrated, such as social studies, consumer affairs, and math. She also discussed supporting education professionals in integrating financial literacy into curriculum.

Lynette Kemp (TAX) asked for an update on the number of schools that have made financial literacy a graduation requirement.

Martha Deiss (AOE) informed the group that 13 schools currently require financial literacy for graduation. She then commented on the feasibility of such a requirement in Vermont's diverse school settings, and the potential for integrating financial literacy curriculum into K-12 as an alternative to a graduation requirement.

Jess DeCarolis (AOE) agreed with Martha's remarks, and added that local control will impact how financial literacy standards are adopted by school systems. She commented that there are several ways to emphasize financial literacy without a mandate.

Dylan Giambatista (TRE) asked Sabina Haskell (VSAC) for comment on the Financial Literacy Commission's recommendations pertaining to higher education.

Sabina Haskell (VSAC) discussed VSAC's work educating students about smart borrowing practices, maximizing use of financial aid, and FAFSA completion. She commented that students seeking financing for higher education may enter the process with very little prior knowledge about loans.

Dylan Giambatista (TRE) completed a review of the Financial Literacy Commissions' recommendations. He introduced the summary of state *Agency and Department Financial Literacy Offerings* included in the meeting materials. He then asked agency and department representatives to discuss their programs.

Paul Dragon (AHS) discussed programs offered by the Agency of Human Services including:

- The Department of Aging and Independent Living's (DAIL) work with the Attorney General's office to offer Stay Savvy Vermont, a fraud awareness program designed for mature Vermonters.
- A personal finance and economics course offered by the Department of Corrections' Community High School of Vermont.
- A microbusiness development, community capital, and job start program that helps low income Vermonters start businesses.
- Vermont's Temporary Assistance for Needy Families (TANF) program, and Reach-Up's use of Consumer Financial Protection Bureau's (CFPB) *Your Money, Your Goals* with program participants.
- Money management programs offered by DAIL.
- Programs offered by the Department of Mental Health.

Paul Dragon (AHS) highlighted the passage of Act 29 of 2017, which raised asset limits for assistance from \$2,000 to \$9,000. He also added that some states have raised their asset limits significantly higher than this, or even eliminated them completely.

Seán Sheehan (DVHA) added that beginning in 2014, Medicaid eliminated asset tests for qualification for most Medicaid programs. He then discussed Health Insurance 101, a program to build health insurance literacy, and cost estimates available on the state health insurance marketplace. He shared that subsidies are changing this year, and that DVHA is conducting outreach to encourage individuals who purchase health insurance on the marketplace to review their options carefully before renewing this open enrollment period.

Paul Dragon (AHS) added that Act 29 of 2017 also excluded retirement accounts, children's' accounts, and the Earned Income Tax Credit (EITC) from asset limits.

Dylan Giambatista (TRE) then informed the group of his call with the U.S. Department of Treasury's Director of Financial Empowerment. He commented that a similar initiative to the working group is being conducted at the federal level. He asked the group to consider goals they have for the working group throughout the conversation.

Chris Curtis (AGO) posed three questions to the group.

1. What is the most important thing that could be done to help Vermonters save?
2. In response to changing federal regulation, should Vermont be putting into statute consumer protections to parallel those in place at the federal level?
3. Should Vermont create a tax-free supplement to social security?

The Working Group discussed Chris Curtis's questions and considered how the big picture relates to its work to identify goals and improve citizen financial well-being.

Paul Dragon (AHS) commented that the use of incentives can go a long way to help individuals with very low incomes. Paul added that financial literacy is most effective when paired with structural changes.

Jess DeCarolis (AOE) added that education is not a cure to poverty, which is instead, a human rights issue. Jess commented on unintended consequences of education legislation, citing a student whose social security survivor's benefit that was put at risk with Act 77 Early College enrollment.

Dylan Giambatista (TRE) asked about the Tax Department's communications work. Deborah Carroll (TAX) described the Tax Department's work with Volunteer Income Tax Assistance (VITA) programs and AARP, preparing tax preparers for their work in the community. She discussed her interest in partnering with organizations that work with younger people, such as high school students. She commented that the department has in the past done workshops with taxpayers, and noted that Commissioner Samsom would like to start these again.

Dylan Giambatista (TRE) then asked Mathew Barowitz (DOL) to discuss the Department's outreach work, including outreach to schools.

Mathew Barewicz (DOL) noted that the Department of Labor is often viewed as a regulatory body by Vermonters. He informed the group that 12 Department of Labor centers across the state hold financial literacy seminars monthly and provide related support at the request of job seekers. He commented on his visits to schools to introduce labor topics and discussed a goal of using labor data to help guide learning plans in schools.

Vincent Livoti (LIB) discussed the Department of Libraries as an avenue for dissemination of programs and information to communities throughout the state. He commented on the department's prior work with the Consumer Financial Protection Bureau, including the CFPB's *Savings as You Grow* program, and partnerships with librarians on offering financial literacy workshops in their communities. He added that the Department of Libraries underwrites the community legal information center, which is a pathway to access otherwise expensive law databases and resources for complex legal issues such as estate planning.

The Working Group discussed how financial literacy falls under, and is part of, the larger umbrella of literacy.

Cass Mabbott (LIB) discussed a grant that the Department of Libraries has applied for on the topic of civics and literacy for the very young, ages 3-5. She discussed infusing financial literacy concepts into story times and other programs offered by libraries, and commented on the importance of inspiring Vermonters to beginning saving habits young.

Vincent Livoti (LIB) commented on the value of manipulatives, like toys and props, for implementing successful programs to early learners.

Jess DeCarolis (AOE) discussed educating both students and parents on financial literacy. She noted the importance of starting that education at the early grade levels. She also commented on some opportunities and barriers of offering multi-generational financial literacy, such as evening use of school spaces.

Martha Deiss (AOE) added that financial literacy can be integrated into other experiences such as work-based learning.

Jill Rickard (DFR) summarized the Department of Financial Regulation's work in scam awareness in both high schools and with mature Vermonters. Jill commented on the use of FDIC and CFPB programs and materials, and their efforts to rebrand and incorporate new resources into the department's new website and social media pages.

Stephanie Brackin (DFR) commented on her observation that many agencies and departments bring their financial literacy programming to where they are invited, rather than systematically targeting populations and locations. She suggested looking at partnerships and outreach to reach new areas and populations not already being served.

Dylan Giambatista (TRE) then asked Heather Pelham (CMO) to comment on what resources are available to intergovernmental communications.

Heather Pelham (CMO) commented that while the outside world may view state government as a single entity, those operating inside of the various agencies and departments may lose this unified perspective. She noted that while there are many avenues through which an individual can receive information, they may receive different or partial information depending on which avenue they use. Additionally, she reminded the group to remain aware of agencies and departments who are not represented at the working group.

Dylan Giambatista (TRE) commented on a need to improve state systems that share financial literacy information and resources throughout state government and with Vermonters. He distributed some

questions to ponder and asked the group for feedback on next steps to shape future meetings and the Working Group's report.

Seán Sheehan (DVHA) asked that the Working Group consider client needs that a department or agency is unable to offer or refer out to a reputable organization.

Kari Miner (DHR) discussed the Department of Human Resources' interest in broadening their financial literacy offerings for state employees. She reflected that DHR's current offerings are limited to retirement programs and shared an interest in providing financial literacy resources earlier in employees' tenure to support better financial habits throughout their employment with the state. Dylan Giambatista (TRE) noted that the Financial Literacy Commission also strongly supported such work.

Jill Rickard (DFR) asked the Working Group about how they would like to see the second meeting structured.

Mathew Barowitz (DOL) stated that he would like to receive more information on what programs and services are currently available inside and outside of state government.

Paul Dragon (AHS) suggested categorizing information and developing concrete action steps to move forward. He added that efforts will be more effective if they are implemented together.

Heather Pelham (CMO) suggested gathering the following information for each program offering:

- What is population the being served?
- What information is being disseminated and how?
- How is each program being promoted and where?

Vincent Livoti (LIB) suggested reaching out to 211 for data on what people are calling about.

Chris Curtis (AGO) suggested forming breakout groups to manage the workload. Chris also observed that needs could be categorized by nature:

- Procedural: Inventories of what resources are available and how information is disseminated.
- Structural: Things the group would like to work on and change; regulatory, interagency, etc.

Heather Pelham (CMO) suggested performing a gap analysis to assess what information is not being disseminated and which populations are not receiving information.

Deborah Carroll (TAX) commented on the need to set goals at the next meeting and asked that a list of members be circulated with their departmental affiliations, which Dylan Giambatista (TRE) agreed to.

The meeting adjourned at 12:02 pm.