



House Bill 34 (Branch et al): High School Financial Literacy and College Savings

What does House Bill 34 do? HB 34 will require that high school financial literacy courses include information on paying for college and other post-secondary education.

What problem is being fixed? Current financial literacy courses do not address the realities associated with paying for post-secondary education. As a result, many students exit high school unaware of the costs associated with both paying for college and with assuming large amounts of student loan debt.

Who will oppose HB 34? UWT foresees little or no opposition to the bill.

Does HB 34 cost money? NO. HB 34 is revenue neutral and will reduce the need for future state-supported scholarship programs by assisting students and families to begin saving for college as early as possible.

Does HB 34 create an unfunded mandate? NO. HB 34 encourages school districts to utilize existing curricula available at no cost.

What does the research say about student preparation for college expenses?

- **The lack of basic information about paying for post-secondary education is a primary reason many low-income students do not go to college.** According to the Pew Charitable Trusts' report "Promoting Economic Mobility by Increasing Postsecondary Education," low-income students are less likely to attend and graduate from college. "A body of evidence suggests this is partly because the costs of college attendance put greater pressure on the limited resources of poor families, and partly because these students lack information about colleges and student aid as well as social and scholarly supports while attending college."
- **Student loan debt is exploding.** According to the Project on Student Debt, college seniors who graduated in 2009 carried an average of \$24,000 in student loan debt. Meanwhile, unemployment for recent college graduates climbed from 5.8 in 2008 to 8.7% in 2009 - the highest annual rate on record for college graduates aged 20 -24.

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