



Friday, March 26, 2021

TO: Senator Osten, Senator Hartley, Representative Walker, Representative Dathan and distinguished members of the Appropriations Committee

FROM: Bruce Adams, President & CEO – Credit Union League of Connecticut

Contacts: Bruce Adams at badams@culct.coop - Mobile 860-593-3113
or Kelly Ramsey Fuhlbrigge at kfulbrigge@culct.coop - Mobile: 203-500-9293

On behalf of Connecticut's 90 credit unions, I respectfully offer testimony today **supporting**:

H.B. 6661 An Act Concerning the Establishment of a Financial Literacy Trust Fund.

Credit unions are unique businesses that exist for the purpose of increasing the financial independence and wellness of their members.

As not-for-profit financial cooperatives, credit unions—by design—return any profits made directly back to their members primarily in the form of better interest rates on deposits and loans, and lower fees. Financial cooperatives such as credit unions are democratically governed by their members because their volunteer board of directors are elected from the membership. In the midst of the Great Depression, President Franklin D. Roosevelt signed the first Credit Union Act in 1934 to make credit more available to Americans during their hour of greatest need and to promote thrift through a national system of nonprofit, cooperative credit unions with the founding philosophy of “people helping people.”

If passed, this bill will create a trust fund, managed, and administered by the Office of the State Treasurer, to support community financial wellness programs across the state. The creation of the Financial Wellness Fund would allow the Treasurer to solicit and leverage the impact of private funds to support financial literacy and other financial wellness programs throughout the state. The Office of the State Treasurer is in a unique position to utilize its relationships with Wall Street and financial institutions to direct resources to programs that promote financial wellness across Connecticut.

Connecticut credit unions invest in and support the financial wellness of their members. This became even more evident when the COVID-19 pandemic shut down our economy. As

Connecticut's "financial first responders," credit unions offered help to many of their members—without being asked—by waiving fees, allowing borrowers to skip payments, and providing short term emergency loans at little to no interest. The more we educate our future generations in the basics of personal finances, the more resilient our state becomes to weather economic disruptions. We believe financial wellness, or "money maturity," should be taught to every student in Connecticut beginning at least in middle school, if not earlier.

Throughout the pandemic, but beginning in spring 2020, the Credit Union League of Connecticut's foundation partnered with schools to provide remote financial education, so that students will not miss out on these critical life lessons. With schools throughout the state now comfortably operating remote instruction, the League and Connecticut's credit unions are prepared to deploy this education on a much broader scale going forward.

During normal times, the foundation in partnership with Connecticut's credit unions, host between 7-9 financial reality fair simulations throughout the state that serves nearly 4,000 high school students each year.

This popular program has a proven track record of success. Since its inception in 2008, we delivered financial education to almost 35,000 Connecticut high school students.

With the health and financial impact of this crisis developing each day, more than ever high school students need financial education and teachers need a virtual ready-packaged lesson plan to help reinforce the financial education concepts they teach in the classroom.

The League's foundation is ready, willing, and able to deliver this virtual program through Google Meet or Go-To Meeting and using the Bite of Reality App, which is available to participants in the app store.