

# Banking Committee JOINT FAVORABLE REPORT

**Bill No.:** HB-5315

AN ACT ESTABLISHING A FINANCIAL WELLNESS TRUST FUND AND  
AUTHORIZING THE TREASURER TO ESTABLISH A CENTER FOR

**Title:** FINANCIAL WELLNESS.

**Vote Date:** 3/15/2022

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/10/2022

**File No.:** 165

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## **SPONSORS OF BILL:**

Banking Committee

## **REASONS FOR BILL:**

This bill would allow the Treasurer to create a Center for Financial Wellness and establish a Financial Wellness Trust Fund. Doing this would increase financial wellness among communities and would increase the amount of financial wellness programs and their impact. Residents of Connecticut deserve to know what their options are regarding financial decisions, and they should have the knowledge to make those decisions wisely.

JFS language: Makes several substantive changes to the bill. In Section 1 line 1, there is a change to the effective date from "July 1, 2023" to "January 1, 2023." Again, on line 1 language was added so that the fund is established on July 1, 2023. A new section was added as Section 2 that establishes an advisory committee beginning on July 1, 2023.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

### **Treasurer Shawn Wooden, State Treasurer – Office of Treasurer**

There is a lack of financial literacy that needs to be addressed. This bill would increase education surrounding financial literacy which would increase financial wellness. This bill would also help close the racial wealth gap. He heavily supports this bill because it would benefit the lives of many Connecticut residents. The trust fund would support local community programs. Several other states have similar funds that promote financial wellness.

## **NATURE AND SOURCES OF SUPPORT:**

### **Jeannette W. Weldon, Executive Director – Connecticut Higher Education Supplemental Loan Authority**

They believe that it is important to promote and raise awareness so that residents have tools needed to succeed.

### **Deb Polun, Executive Director – Connecticut Association for Community Action**

CAFCA supports this bill because research shows that by completing a financial literacy program, consumers are more likely to be able to budget, have a checking account, and save for retirement. This bill would allow for the implementation of more financial wellness programs. A Financial Wellness Center would lay the foundation for the completion of a financial education course.

### **Faye Griffiths-Smith, President – Connecticut Jump\$tart Coalition for Youth Financial Literacy**

There is a greater need for increased financial knowledge in Connecticut. Programs such as those outlined in the bill would allow people to be more aware of all the options that they have.

### **Emily Byrne, Executive Director – Connecticut Voices for Children**

There is a significant racial income gap in Connecticut that needs to be addressed. This bill would promote and provide a way for people to become more financially literate and allow that gap to be addressed.

### **Bruce Adams, President & CEO – Credit Union League of Connecticut**

Not enough high school students receive education on personal finance and financial literacy. This legislation would increase the opportunities for financial education. Connecticut's credit unions support the legislation because it aligns with their goals of financial independence and wellness.

### **Elizabeth Horton Sheff, Director of Community Services – Community Renewal Team**

Programs that already exist for financial literacy and financial wellness need more funding to expand their impact. This bill would increase their impact by having the potential to provide more funding and resources to the already existing programs.

## **NATURE AND SOURCES OF OPPOSITION:**

None Expressed

**Reported by: Alexa Moyer / Dawn Marzik**

**3/22/22**