



**OFFICE OF
STATE TREASURER
DENISE L. NAPPIER**

NEWS

FOR IMMEDIATE RELEASE

Wednesday, October 19, 2005

Nappier Calls for Connecticut High School Students to Learn Basic Financial Literacy Prior to Graduation

Lack of Basic Financial Knowledge Heightens Risk of Financial Disaster

(Cromwell) -- Speaking at the annual conference of the Connecticut Business Educators Association (CBEA), Connecticut Treasurer Denise L. Nappier called on the business community and educators to support efforts to increase financial literacy among high school students.

"No child should graduate from high school without a sound understanding of the basics of personal financial management. Before the cap and gown goes on, every student should have an opportunity to learn Personal Finance 101," Nappier said.

The Treasurer cited statistics indicating that high school students routinely receive failing grades when quizzed on basic financial management skills, which she said can have disastrous implications as they head off to college and the business world.

"Without financial knowledge, we increase the chances of their falling into a spiral of financial trouble that could limit their possibilities and potential for a lifetime. In my view, an education without financial education is like giving your kids the keys to the car without teaching them how to drive. They may be able to start it up and head off down the road, but sooner or later they'll run into trouble," Nappier said.

Nappier noted that the most recent National Jump\$tart Coalition survey of basic financial literacy found that high school seniors scored an average of only 52 on the basics of personal finance, and two-thirds of the students who took the test, failed.

In a similar study conducted earlier this year at Connecticut's first Youth Financial Education Conference, attended by high school juniors and seniors, only 18% of high school junior and seniors in attendance scored a "C" grade or better.

"We need to move financial literacy higher up on our educational "to do" list," Nappier said. "As educators, policy makers, businessmen and women, and as parents -- all interested in succeeding generations -- we have a strong common interest. And it goes beyond our young people to our economic success as a nation."

More...

Contact: **Bernard L. Kavalier**
Director of Communication
(860) 702-3277 FAX (860) 702-3043
BERNARD.KAVALER@PO.STATE.CT.US

Nappier has made advancing financial literacy a hallmark of her administration, working collaboratively with community-based organizations and the business community to promote financial education statewide, including programs aimed at young people, women, and underserved communities.

Her efforts as a leading catalyst for financial education have been widely recognized, and her office has been instrumental in plans for a Connecticut chapter of the Jump\$tart Coalition, a national organization dedicated to strengthening basic financial skills. Nappier said that the problem of inadequate financial literacy is especially acute as young people graduate high school.

"Today's youth will be facing an increasingly dynamic and complex financial marketplace. Selecting the right banking account, investment vehicle, car loan or insurance policy can be a tremendous challenge, and quite intimidating... particularly with limited knowledge or experience," Nappier said.

"From the minute they graduate high school – and even before – they will be hit with a barrage of offers for credit lines and financial products that play directly to their vulnerabilities. In fact, the average incoming college freshman receives up to eight credit card solicitations within the first week of school, and more and more of our young people are graduating college saddled with astronomical debt."

The Connecticut Business Educators Association, whose membership includes high school business educators from throughout Connecticut, advances business and finance technology education. The mission of business and finance technology education, according to CBEA, is to teach and guide all students in developing the skills, knowledge, understanding and attitudes necessary for successful participation in postsecondary education and/or employment and in their daily personal business and financial endeavors as responsible and contributing citizens of local, national, and global economies.

Nappier said that financial education should be an integral part of efforts to provide young people with the solid foundation they will need to succeed after graduation.

"This is especially true with our most at-risk children, many of whom are not learning these crucial lessons at home. They are certainly not the only ones, but too often, kids in urban or poor communities simply do not have a way to pull themselves up and out of the economic restraints that hold them down. But by teaching them to take charge of their financial future, we can give them the tools they need to help break the cycle of poverty." Nappier said.