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**Written Testimony of
The Young Women's Leadership Program
Before the Banks Committee
Tuesday, February 24, 2009**

In Support of:

H.B. 6483, AAC Credit Card Offers on College Campuses and Financial Literacy for High School Students

Senator Duff, Representative Barry and members of the committee, thank you for this opportunity to provide written testimony on behalf of the Young Women's Leadership Program (YWLP), which is dedicated to understanding and voicing the needs of Connecticut's young women, ages 18-35.

The YWLP strongly supports the above referenced bill because it requires schools to teach students about financial literacy and creates regulations for credit card companies that are soliciting on public college campuses.

Studies have shown that 47% of women in the United States ages 21 to 34 carry unpaid credit card balances at an average of \$2000.¹ If we consider that this statistic is most likely being continuously compounded by our current economic situation, it is a safe presumption that the average amount of debt carried by those ages 21-34 just two years, one year, or even six months ago has swelled dramatically in the past months, and will continue to inflate at a rapid pace in the coming months, and potentially years.

As the cost of living has been rapidly increasing, more and more Americans, particularly those without sizeable or steady income, such as students, are using credit cards to cover the costs of staples such as food, utilities and many of the expenses associated with receiving higher education. In fact, a national survey of college students found that 23% use credit cards to pay for tuition and fees and 52% for textbooks and school supplies.² This means that in order for students to graduate from college, many must absorb an increasingly inflated price of debt, which inhibits their ability to pay off educational debt, limits their ability to succeed at *ever* paying off their debt, obtaining satisfactory credit ratings, acquiring property and providing for their families' essential needs down the line.

Alarming, 55% of college students say they have never taken a course about personal finance or economics.³ When credit card companies have unfettered access on college

¹ <<http://www.newswise.com/articles/view/28248/>, <http://www.soundinvesting.org/justforwomen.asp>>.

² Smith College News Release, College Students Use Credit Cards to Pay for Their Education, August 2005

³ Ibid

campuses to students who, due to a lack of financial education, often do not fully understand how the concept of 'credit' works, these companies are being enabled to prey on a particularly vulnerable segment of our population.

The YWLP applauds the committee for your attention to this matter and looks forward to working with you on this important issue.