

**LATE**

Aloha Chair Kidani, Vice-Chair Kim, and members of the Education Committee:

My name is Danson Honda, and I am testifying in support for SCR56 which requests the BOE to review various programs and subject matters for implementation in public schools, most notably **financial literacy**.

I grew up in a single-income family of four, and for the first 20 years of my life I didn't know what it was like to sleep on an actual bed. I slept on a fold up mattress on the living room floor because a small one-bedroom apartment was all that my family could afford. As a child, I believed that going to school, getting good grades, and going to college was the key to success. I was a straight-A student throughout most of my school years, and I thought that if I worked hard enough, I could achieve anything.

About halfway through high school, I got involved in student government and interacted with students from all walks of life. I realized that there was something important missing from our education system, but I couldn't quite figure out what it was. I often asked myself, "if working hard, getting good grades, and going to college was the key to success, then why do so many people who do these things end up struggling in life?" I became disillusioned with our education system. I began focusing more on what was going on outside the classroom than inside the classroom. My grades slipped, and by my senior year of high school things weren't looking great. I didn't walk at high school graduation. I had to take a remedial class over the summer to officially graduate, and according to our education system, I was a failure.

Fortunately, I was able to get into college, but by the time I was halfway through I was in a financial mess. Isn't it interesting how 18-year-olds with zero financial knowledge are able to open credit cards and take out student loans? Like most people, I learned about financial literacy through financial mistakes. I had a maxed-out credit card and five figures of student loans, and that made me determined to make a change.

I started to learn about how to manage my finances. I didn't learn that from my parents, and I didn't learn that in school. Not even going to business school in college helped me with managing finances. I had to learn how to manage my finances on YouTube. I learned about budgeting, saving, investing, and all the other tools that are necessary for financial success. I realized that my education up until that point had been missing this critical piece, and that our education system had left me ill-equipped to face the financial challenges of the real world. I realized that working smart to somewhere, rather than working hard to nowhere, was what would make a difference in my life.

After graduating college, I started looking for a job early 2020. We all know what happened in 2020: Covid. I applied for job after job. I worked so hard all those years to get that college degree, only to find out that employers didn't want to hire me anyways. But financial literacy taught me a very important thing: times change and relying on one source of income and career path is risky. I was prepared to adapt and overcome. While most of the world was

panicking, unsure of what to do, I brainstormed and identified many opportunities that were available during the pandemic.

Just two years later, despite being jobless and broke with five figures in debt at the beginning of the pandemic, I became a homeowner and bought a single-family house in Pearl City at 24 years old. I did it by working as a food delivery driver and applying the financial skills I learned to compound those earnings.

After the pandemic is over, the world will continue to change in unpredictable ways. But the need to know how to manage finances will remain constant. The income people make is important, but what people do with what they make is just as important. Looking back, I am grateful for the financial knowledge that I gained, and the positive impact that it has had on my life. And now, I am passionate about sharing that knowledge with others, so that they too can experience the life-changing benefits of financial literacy.

While my interest in financial literacy began due to personal experiences, I also learned that the lack of financial literacy in Hawai'i stems from a much broader issue. Upon doing research, I discovered that the topic of financial literacy in Hawai'i has been ongoing for the past twenty years. [Since 2003, sixty pieces of financial literacy legislation have been introduced in the Legislature](#). Ten pieces of legislation passed, establishing April as Financial Literacy Month, created two financial literacy task forces, and repeatedly urged the BOE/DOE to implement a financial literacy graduation requirement.

Notably:

In 2008, the State Legislature passed Senate Concurrent Resolution 92 and Senate Resolution 52, which created a Financial Education and Asset Building Task Force. The Task Force noted the issue that schools are not required to offer financial literacy courses, and students are not required to take financial literacy courses. **This remains true today.** One of their recommendations included making financial literacy a graduation requirement in high school.

In 2015, the State Legislature passed Senate Concurrent Resolution 97; S.D.1, establishing the financial literacy task force. This task force submitted a report to the Legislature recommending the implementation of a financial literacy program in schools.

In 2021, Senate Concurrent Resolution 152 passed, urging the Department of Education to coordinate with the Department of Commerce and Consumer Affairs to implement a graduation requirement of at least a half credit in financial literacy. **I contacted DCCA and found that DCCA initiated a conversation to the DOE, but without any response.**

As a former student member of the Hawai'i State Board of Education, I understand the Board's desire to have complete oversight of setting graduation requirements. However, history has shown a blatant disregard for this essential subject. We had an incredible opportunity to lead the nation in financially educating our youth, yet here we are now, two decades and two

recessions later, consistently ranked as the state with the [lowest level of high school financial literacy in the nation](#). Thus, if the BOE does not take action that this resolution is requesting, I strongly urge the Legislature to take more meaningful action.

I am deeply concerned about the prior history of these efforts; however, I remain hopeful that one day Hawai'i will join the seventeen states that have implemented a standalone financial literacy class graduation requirement. Please vote in support of this resolution and help urge the BOE to act. By investing in the financial education of our youth, we can create a brighter future for our community and our economy.

*"We would not allow a young person to get in the driver's seat of a car without requiring driver's education, and yet we allow our youth to enter the complex financial world without any related education. An uneducated individual armed with a credit card, a student loan, and access to a mortgage can be nearly as dangerous to themselves and their community as a person with no training behind the wheel of a car."*

*- Champlain College, Center for Financial Literacy*

With Aloha,

Danson Honda