



Member Cities

February 22, 2016

Boston Re: Article 17 - Talent & Economic Development Executive Recommendation Bill –
Chicago Section 17-107 (One-Time Appropriations) - \$5,800,000 for Financial Literacy Pilot

County of Hawai'i Dear Honorable Members of the Michigan Legislature:

Lansing The Cities for Financial Empowerment (CFE) Coalition is a network of geographically
Los Angeles and demographically diverse cities that together create innovative initiatives to improve
Louisville the financial stability of our residents. Representing over 19 million people, our
Miami members design and implement large-scale programs that increase access to
Nashville mainstream banking, wealth-building, and high-quality financial education and
New York City counseling for residents. Expanding the vision of how municipal government can serve
Philadelphia its citizens and create pathways for financial stability, CFE Coalition members leverage
San Antonio power and politics in the service of at-risk communities. The Coalition provides a
platform for cities to work and learn collectively, forging partnerships with the public,
private, and non-profit sectors.

San Francisco Nearly all members of the CFE Coalition have established financial literacy models in
Savannah their cities. In particular, seven of our member cities have launched Financial
Seattle Empowerment Centers, a model created under the Bloomberg administration in New
St. Louis York City. As a group, we strongly believe in this type of program and its ability to
support residents in the areas of effective personal budgeting, debt reduction,
establishing and improving credit, accessing safe and affordable banking services,
building savings and connecting to other supportive services through referrals.

We believe that integrating individual financial counseling with government programs (such as workforce development, re-entry services, and public assistance) results in greater efficiency and effectiveness of those services, resulting in cost savings. In fact, our vision is for financial counseling to be considered a public service. The Coalition advocates for increased funding for one-on-one financial counseling, especially through federal programs such as CDBG, CSBG, and WIOA; for the identification and requirement of clear outcome measures to encourage the adoption of financial coaching practices; and for governmental entities to specifically identify models of integrated one-on-one financial coaching as a fundable strategy to meet financial literacy goals.

Government programs can do more than help residents subsist. By integrating financial counseling, publicly funded programs can move families from dependency to self-sufficiency.



Member Cities

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St. Louis

The CFE Coalition congratulates Governor Snyder and his administration for making Michigan the first state to have proposed an allocation of funds to a financial literacy pilot that specifically calls for an established, one-on-one financial counseling model with specific, measurable outcomes. From our collective experience in the field, we can assure you that a \$5.8 million allocation has the capacity to serve thousands of Michigan residents with professional, one-on-one counseling, and that the measurable impact on financial stability in Michigan will be significant.

We urge members of the Michigan legislature to approve this one-time appropriation to a financial literacy pilot in up to three Michigan prosperity regions for up to three years. Significant advances have been made in recent years to test and identify the positive effect of integrating financial counseling into social services. A Financial Literacy Pilot in Michigan will further this body of evidence and represent a significant shift toward public support for services that move beyond alleviating crisis and help to increase self-sufficiency and decrease dependence.

Respectfully,

Jose Cisneros
Treasurer
City and County of San Francisco
Co-Chair, CFE Coalition

Amber Paxton
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City of Lansing
Co-Chair, CFE Coalition