

Chairman Feeney
Massachusetts State House,
24 Beacon St., Room 112
Boston, MA 02133

Chairman Murphy
Massachusetts State House,
24 Beacon St., Room 254
Boston, MA 02133

RE: Written testimony in support of SB.737; HB.1158: An Act to promote economic mobility through Matched Savings

Chairman Feeney, Chairman Murphy, and distinguished members of the Joint Committee on Financial Services:

Thank you for the opportunity to submit testimony on SB.737; HB.1158: An Act to promote economic mobility through Matched Savings. My name is [NAME AND SHORT DESCRIPTION OF WHO YOU ARE/WHERE YOU ARE FROM].

I strongly urge that the Joint Committee on Financial Services release the Matched Savings Bill, SB.628; HB.1023: An Act to promote economic mobility through Matched Savings, favorably out of your committee. Matched Savings is focused on promoting upward economic mobility for BIPOC and LBGTQIA+ individuals and families who have been denied access to wealth and asset building opportunities because of current and historical discrimination. The more assets or wealth a person has, the more financial options and flexibility they will experience, and the more financially secure they will feel. As they become more financially secure, they can participate fully in the economy and their communities. Financial independence provides an opportunity to take care of oneself and provide a hand-up to others.

As you know, matched savings programs are an innovative policy solution to increase economic mobility by building assets. Eligibility is determined by being below 80% area median income (AMI). A participant opens a dedicated savings account where upon completion of their savings goal, deposits are matched at a 4:1 ratio with a maximum total of \$20,000 (\$4,000 individual contribution, \$16,000 match). While enrolled, participants will receive financial coaching and education and learn strategies for building financial security and accumulating wealth. After graduating, participants can use the combined savings and match towards one of the twelve allowable financial goals including purchasing a home, capitalization of a small business, paying down debt, and preparing someone under 18 for a college education or job training among others.

Key to the program's success is the financial coaching participants receive while enrolled. Financial coaching services are offered through a network of community organizations who partner with financial institutions. Financial literacy and competence are critical in ensuring that the wealth built through the program leads to a lifetime of smart spending and wealth building that is critical in building generational wealth. Matched Savings will ensure that graduates reach full competency in financial literacy.

[OPTIONAL, SHORT ANECDOTE ABOUT HOW MATCHED SAVINGS WOULD BENEFIT YOU, SOMEONE YOU KNOW, OR THE CLIENTS YOU SERVE]

Matched Savings is a proven program that helps people with low-income build wealth and create financial stability for themselves and their families. We strongly urge that SB.737; HB.1158: An Act to promote economic mobility through Matched Savings be reported favorably out of your committee.

Sincerely,