



Date: November 7, 2017

To: Honorable Mayor Robert Garcia and Members of the City Council

From: Vice Mayor Rex Richardson, Ninth District
Councilwoman Suzie Price, Third District
Councilmember Dee Andrews, Sixth District
Councilmember Al Austin, Eighth District

Subject: Youth Banking and Financial Literacy

RECOMMENDATION:

Request the City Manager to work with Pacific Gateway Workforce Investment Network to provide access to free checking and savings accounts, and conduct financial literacy education to all youth participants in Long Beach workforce development programs, and report back in 90 days.

Discussion

As youth enter the workforce, it is essential that they are provided the tools needed to navigate a complex financial system, and receive adequate support to begin investing in their futures. Young people who develop the fundamentals of financial literacy, including having the knowledge to make financially responsible decisions, understanding the use of checking, savings, and credit accounts, as well as debt management, are more likely to become financially secure adults.

Young people are especially apt to be receptive to learning fundamentals of financial literacy. Teaching youth how to manage a checking account early, is a key way to avoid financial pitfalls later. This practice helps them better learn concepts related to money, and can give them valuable practice on how to save for retirement, purchase homes, manage credit cards responsibly, and avoid high debt accrual.

Long Beach is uniquely positioned to equip our youth with the tools needed to become financially secure adults. By leveraging our workforce development board, we could adequately prepare the next generation of Long Beach earners and consumers by providing nearly 2,700 Long Beach youth, per year, financial literacy education, and a free checking and savings account.

Equipping youth with the financial tools they need to succeed is a fundamental component to the "Everyone In" economic inclusion initiative, and will help lay the foundation for the future of Long Beach's economic growth.



Fiscal Impact

There is no significant fiscal impact.