



The “Scared Straight” Financial Literacy Program

Honorable John C. Ninfo II, Credit Abuse Resistance Education (CARE) Program

The **Credit Abuse Resistance Education (CARE)** program is a grassroots, free financial literacy initiative of the country’s bankruptcy community. It was founded in 2002 and as of September 2006, has a presence in 32 states.

CARE makes bankruptcy professionals (judges, trustees, attorneys and court staff) available to high school and college educators to make live presentations that teach students important personal finance lessons, tactics and techniques to use consumer credit wisely. This, of course, helps these students to avoid credit card debt as well as any predatory lending debt.

The American media has dubbed the program a “scared straight” credit program for students. The CARE effectiveness in getting into the schools and reaching students is based upon the recognition that CARE presenters are in the trenches every day. Unfortunately, they deal with the worst consequences of the financial illiteracy that consumers face in this country.

For young adults between the ages of 18 and 24, their credit scores may be even more important to their future than their academic transcripts. Everyday, however, we hear stories of these young adults losing out on jobs, apartments, student loans, admission to graduate school and car loans, because of their naïve abuse of consumer credit. We also know that as many as 10 percent of college students drop out of school because of consumer debt issues. For these reasons,

CARE has made high school seniors and college freshmen its primary target audience. They are frequently the most at-risk because they are all too often financially illiterate, just as the biennial Jump\$start survey of high school seniors has confirmed.

In August of this year, CARE—which hopes to expand into all 50 states very soon—made presentations to more than 2,400 incoming students at the University of Miami and is working to be invited to be a part of more college orientation programs in the future. In addition, CARE is

working on a project that will provide a package of free videos, handouts and articles, tailored to national fraternities and sororities. They, in turn, will be able to offer them to their local chapters. These materials will also be supplemented by live presentations in areas where CARE has a presence.

CARE is honored and excited to be a national partner of the Jump\$start Coalition®. It is committed to working with other national partners and state coalitions in ways that they believe will advance our common goal of increasing the Financial IQs of the nation’s young people. Through our collective efforts, our young people will be able to avoid the ever-increasing and severe consequences of the naive use and abuse of consumer credit. In addition, CARE is always looking for ways to involve students in the program.

For more information about the CARE Program, visit its Web site at www.careprogram.us. ●

