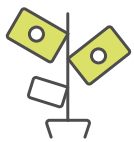


Financial Mobility for the Next Generation

Creating better financial futures through Policy, Innovation and Education



Financial mobility is the ability of an individual to climb the economic ladder and achieve their most important financial goals.

Time is a young person's most important asset and the earlier their financial journey begins the more likely their path can lead to success.

Financial mobility for young people can help contribute to the nation's economic growth, and empower the next generation of leaders, entrepreneurs and innovators.

The Problem

Experiencing one of the most challenging and unpredictable economic environments in recent memory, it's no wonder the next generation has anxiety about their own financial mobility.

Young Americans today face unique financial challenges.



Inflation, while currently moderating, continues to have an impact on the cost of living for young people.



Student loan repayments have resumed and college costs continue to rise.



Soaring home prices, high mortgage rates and inventory shortages are also affecting possibilities for home ownership.

Surveys show that young Americans often feel unprepared for the financial choices they face as they start their careers, pay off debt, and save for the future.

50%

More than 50% of young adults **feel anxious about finances**.¹

Less than 45% of U.S. adults **feel confident making financial decisions** because of prior knowledge.²

69% of young people (ages 18-34) **are saving more for retirement** because they are concerned Social Security will not be available when they retire.³

What is Fidelity doing to support financial mobility?

Fidelity is uniquely positioned to help young people unlock their financial potential by equipping them with the education, digital tools, market insights, and products and services they need to make informed decisions.

Here are just a few examples for how we help engage, educate, and empower young people:



Fidelity supports a year-round approach to **financial literacy education** and provides a program for K–12 students and teachers in underserved communities. The program has reached **more than 4,500 teachers and more than 450,000 students**.



Council for Economic Education (CEE) – Fidelity supports CEE and its mission to equip K-12 students with the tools and knowledge of personal finance and economics so that they can make better decisions for themselves, their families, and their communities.



Fidelity Youth™, available to teens 13 to 17, whose parent/guardian has an existing brokerage account with Fidelity. Teens can learn to spend, save, and invest in a brokerage account that they'll own and manage with parent/guardian supervision.



Fidelity Financial Forward for Universities, a program where universities can work with Fidelity to help shape a financial education experience for their students.

Fidelity on Social

we're meeting young people where they are and using social media to help answer their questions with tips and insights while making money a little easier to understand.

Follow along!

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Fidelity Goal Booster, an out-of-plan investing and saving experience designed to help people save smarter for important savings goals, including **emergency savings**, is provided at no cost⁴ to clients.



Student Debt, a workplace benefits program where Fidelity has worked with hundreds of employers to administer more than **1.4M student loan payments totaling more than \$280M in payments**, enabling employees to pay off their student loans faster.



Invest in My Education (ME)SM, an initiative that provides access to education and ongoing support to underserved high school and college students. [Learn more.](#)

How can policymakers help?

Public policy is a powerful tool for advancing financial mobility among young Americans. When public policy aligns with the goal of financial mobility, it can pave the way for a more prosperous and promising future for the nation's youth.

Specific areas where policymakers have helped and can continue to help include...



Emergency Savings

Emergency Savings is money that is set aside in case of an emergency or unexpected event. We appreciate that Congress has recognized the importance of emergency savings by including an optional provision in the SECURE 2.0 Act to tackle the issue. This is an area ripe for innovation. **We support enhancements including allowing auto-enrollment into out-of-plan accounts for emergency saving and making it possible for out-of-plan contributions to emergency savings accounts to be eligible for matching into a plan's retirement account.** Learn more about [Emergency Savings](#).



Student Debt

Congress should make permanent a provision in the CARES Act of 2020, which allows employers to contribute up to \$5,250 tax-free to an employee's student loans each year. This has enabled many employers to offer a direct student loan benefit, but without action, will expire on December 31, 2025. See how Fidelity tackles [Student Loan Debt](#).



College Savings

529 college savings plans should be enhanced to make it easier to save for college.

We believe 529s should be able to support graduate and specialized continuing education, employers should be allowed to augment employee 401(k)s if they contribute to a 529, and that 529s should be eligible for the Saver's Credit.



Health Care

Health Savings Accounts (HSAs) can be enhanced to ensure more Americans are adequately prepared for their health expenses. **HSA access should be expanded beyond those enrolled in High Deductible Health Plans (HDHPs) and we support increasing the contribution limits of HSAs to allow Americans to save enough to cover their deductibles now and prepare for future expenses.** Find out more on how [Health Savings Accounts](#) can help all Americans.

¹ National Financial Capability Study, 2022.

² Information sourced from the September 21-24, 2022 Study for the National Endowment for Financial Education (NEFE).

³ The Fidelity Investments 2024 State of Retirement Planning Study.

⁴ While there is no cost to use Goal Booster itself, there could be fees associated with the investing options.

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Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.

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