

SHB 2455 - S COMM AMD

By Committee on Financial Services, Insurance & Housing

ADOPTED 03/05/2004

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature recognizes that the average
4 high school student lacks a basic knowledge of personal finance. In
5 addition, the legislature recognizes the damaging effects of not
6 properly preparing youth for the financial challenges of modern life,
7 including bankruptcy, poor retirement planning, unmanageable debt, and
8 a lower standard of living for Washington families.

9 The legislature finds that the purpose of the state's system of
10 public education is to help students acquire the skills and knowledge
11 they will need to be productive and responsible 21st century citizens.

12 The legislature further finds that responsible citizenship includes
13 an ability to make wise financial decisions. The legislature further
14 finds that financial literacy could easily be included in lessons,
15 courses, and projects that demonstrate each student's understanding of
16 the state's four learning goals, including goal four: Understanding
17 the importance of work and how performance, effort, and decisions
18 directly affect future opportunities.

19 The legislature intends to assist school districts in their efforts
20 to ensure that students are financially literate through identifying
21 critical financial literacy skills and knowledge, providing information
22 on instructional materials, and creating a public-private partnership
23 to help provide instructional tools and professional development to
24 school districts that wish to increase the financial literacy of their
25 students.

26 NEW SECTION. **Sec. 2.** (1) A financial literacy public-private
27 partnership is established, composed of up to four members representing
28 the legislature, one from and appointed by the office of the
29 superintendent of public instruction, one from and appointed by the
30 department of financial institutions, up to four from the financial

1 services sector, and four educators. One or two members of the senate,
2 one of whom is a member of the senate committee on financial services,
3 insurance and housing, shall be appointed by the president of the
4 senate. One or two members of the house of representatives, one of
5 whom is a member of the house committee on financial institutions and
6 insurance, shall be appointed by the speaker of the house of
7 representatives. The superintendent of public instruction shall
8 appoint the members from the financial services sector and educator
9 members. The chair of the partnership shall be selected by the members
10 of the partnership.

11 (2) To the extent funds are appropriated or are available for this
12 purpose, technical and logistical support may be provided by the office
13 of the superintendent of public instruction, the organizations
14 composing the partnership, and other participants in the financial
15 literacy public-private partnership. The superintendent of public
16 instruction shall compile the initial list of members and convene the
17 first meeting of the partnership.

18 (3) The members of the committee shall be appointed by July 1,
19 2004.

20 (4) Legislative members of the partnership shall receive per diem
21 and travel under RCW 44.04.120.

22 (5) Travel and other expenses of members of the partnership shall
23 be provided by the agency, association, or organization that member
24 represents.

25 NEW SECTION. **Sec. 3.** (1) By September 30, 2004, the financial
26 literacy public-private partnership shall adopt a definition of
27 financial literacy to be used in educational efforts.

28 (2) By June 30, 2005, the financial literacy public-private
29 partnership shall identify strategies to increase the financial
30 literacy of public school students in our state. To the extent funds
31 are available, strategies to be considered by the partnership shall
32 include, but not be limited to:

33 (a) Identifying and making available to school districts:

34 (i) Important financial literacy skills and knowledge;

35 (ii) Ways in which teachers at different grade levels may integrate
36 financial literacy in mathematics, social studies, and other course
37 content areas;

1 (iii) Instructional materials and programs, including schoolwide
2 programs, that include the important financial literacy skills and
3 knowledge;

4 (iv) Assessments and other outcome measures that schools and
5 communities may use to determine whether students are financially
6 literate; and

7 (v) Other strategies for expanding and increasing the quality of
8 financial literacy instruction in public schools, including
9 professional development for teachers;

10 (b) Developing a structure and set of operating principles for the
11 financial literacy public-private partnership to assist interested
12 school districts in improving the financial literacy of their students
13 by providing such things as financial literacy instructional materials
14 and professional development; and

15 (c) Providing a report to the governor, the house and senate
16 financial institutions and education committees of the legislature, the
17 superintendent of public instruction, the state board of education, and
18 education stakeholder groups, on the results of work of the financial
19 literacy public-private partnership. A final report shall be submitted
20 to the same parties by June 30, 2007.

21 NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.230
22 RCW to read as follows:

23 (1) To the extent funds are appropriated or are available for this
24 purpose, the superintendent of public instruction and other members of
25 the partnership created in section 2 of this act, shall make available
26 to school districts the list of identified financial literacy skills
27 and knowledge, instructional materials, assessments, and other relevant
28 information.

29 (2) Each school district is encouraged to provide its students with
30 an opportunity to master the financial literacy skills and knowledge
31 developed under section 3 of this act.

32 (3) For the purposes of this act, it is unnecessary to evaluate
33 and apply the office of the superintendent of public instruction
34 essential academic learning requirements, or to develop grade level
35 expectations.

36 NEW SECTION. **Sec. 5.** The task of the financial literacy
37 public-private partnership is to seek out and determine the best

1 methods of equipping students with the knowledge and skills they need,
2 before they become self-supporting, in order for them to make critical
3 decisions regarding their personal finances. The components of
4 personal financial literacy examined shall include, at a minimum,
5 consumer financial education, personal finance, and personal credit.
6 The partnership shall identify the types of outcome measures expected
7 from participating students, in accordance with the definitions and
8 outcomes developed under section 3 of this act.

9 NEW SECTION. **Sec. 6.** A new section is added to chapter 28A.300
10 RCW to read as follows:

11 The Washington financial literacy public-private partnership
12 account is hereby created in the custody of the state treasurer. The
13 purpose of the account is to support the financial literacy public-
14 private partnership, and to provide financial literacy opportunities
15 for students and financial literacy professional development
16 opportunities for the teachers providing those educational
17 opportunities. Revenues to the account may include gifts from the
18 private sector, federal funds, and any appropriations made by the
19 legislature or other sources. Grants and their administration shall be
20 paid from the account. Only the superintendent of public instruction
21 or the superintendent's designee may authorize expenditures from the
22 account. The account is subject to allotment procedures under chapter
23 43.88 RCW, but an appropriation is not required for expenditures.

24 NEW SECTION. **Sec. 7.** The financial literacy public-private
25 partnership expires June 30, 2007."

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26 On page 1, line 1 of the title, after "literacy;" strike the
27 remainder of the title and insert "adding a new section to chapter
28 28A.230 RCW; adding a new section to chapter 28A.300 RCW; and creating
29 new sections."

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