

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2455

58th Legislature
2004 Regular Session

Passed by the House March 10, 2004
Yeas 96 Nays 1

Speaker of the House of Representatives

Passed by the Senate March 4, 2004
Yeas 45 Nays 1

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2455** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 2455

AS AMENDED BY THE SENATE

Passed Legislature - 2004 Regular Session

State of Washington 58th Legislature 2004 Regular Session

By House Committee on Education (originally sponsored by
Representatives Santos, Anderson and Simpson, G.)

READ FIRST TIME 02/02/04.

1 AN ACT Relating to financial literacy; adding a new section to
2 chapter 28A.230 RCW; adding a new section to chapter 28A.300 RCW; and
3 creating new sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

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

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

1 the importance of work and how performance, effort, and decisions
2 directly affect future opportunities.

3 The legislature intends to assist school districts in their efforts
4 to ensure that students are financially literate through identifying
5 critical financial literacy skills and knowledge, providing information
6 on instructional materials, and creating a public-private partnership
7 to help provide instructional tools and professional development to
8 school districts that wish to increase the financial literacy of their
9 students.

10 NEW SECTION. **Sec. 2.** (1) A financial literacy public-private
11 partnership is established, composed of up to four members representing
12 the legislature, one from and appointed by the office of the
13 superintendent of public instruction, one from and appointed by the
14 department of financial institutions, up to four from the financial
15 services sector, and four educators. One or two members of the senate,
16 one of whom is a member of the senate committee on financial services,
17 insurance and housing, shall be appointed by the president of the
18 senate. One or two members of the house of representatives, one of
19 whom is a member of the house committee on financial institutions and
20 insurance, shall be appointed by the speaker of the house of
21 representatives. The superintendent of public instruction shall
22 appoint the members from the financial services sector and educator
23 members. The chair of the partnership shall be selected by the members
24 of the partnership.

25 (2) To the extent funds are appropriated or are available for this
26 purpose, technical and logistical support may be provided by the office
27 of the superintendent of public instruction, the organizations
28 composing the partnership, and other participants in the financial
29 literacy public-private partnership. The superintendent of public
30 instruction shall compile the initial list of members and convene the
31 first meeting of the partnership.

32 (3) The members of the committee shall be appointed by July 1,
33 2004.

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

36 (5) Travel and other expenses of members of the partnership shall

1 be provided by the agency, association, or organization that member
2 represents.

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

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

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

12 (i) Important financial literacy skills and knowledge;

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

16 (iii) Instructional materials and programs, including schoolwide
17 programs, that include the important financial literacy skills and
18 knowledge;

19 (iv) Assessments and other outcome measures that schools and
20 communities may use to determine whether students are financially
21 literate; and

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

25 (b) Developing a structure and set of operating principles for the
26 financial literacy public-private partnership to assist interested
27 school districts in improving the financial literacy of their students
28 by providing such things as financial literacy instructional materials
29 and professional development; and

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

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

3 (1) To the extent funds are appropriated or are available for this
4 purpose, the superintendent of public instruction and other members of
5 the partnership created in section 2 of this act, shall make available
6 to school districts the list of identified financial literacy skills
7 and knowledge, instructional materials, assessments, and other relevant
8 information.

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

12 (3) For the purposes of this act, it is unnecessary to evaluate
13 and apply the office of the superintendent of public instruction
14 essential academic learning requirements, or to develop grade level
15 expectations.

16 NEW SECTION. **Sec. 5.** The task of the financial literacy
17 public-private partnership is to seek out and determine the best
18 methods of equipping students with the knowledge and skills they need,
19 before they become self-supporting, in order for them to make critical
20 decisions regarding their personal finances. The components of
21 personal financial literacy examined shall include, at a minimum,
22 consumer financial education, personal finance, and personal credit.
23 The partnership shall identify the types of outcome measures expected
24 from participating students, in accordance with the definitions and
25 outcomes developed under section 3 of this act.

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

28 The Washington financial literacy public-private partnership
29 account is hereby created in the custody of the state treasurer. The
30 purpose of the account is to support the financial literacy public-
31 private partnership, and to provide financial literacy opportunities
32 for students and financial literacy professional development
33 opportunities for the teachers providing those educational
34 opportunities. Revenues to the account may include gifts from the
35 private sector, federal funds, and any appropriations made by the
36 legislature or other sources. Grants and their administration shall be

1 paid from the account. Only the superintendent of public instruction
2 or the superintendent's designee may authorize expenditures from the
3 account. The account is subject to allotment procedures under chapter
4 43.88 RCW, but an appropriation is not required for expenditures.

5 NEW SECTION. **Sec. 7.** The financial literacy public-private
6 partnership expires June 30, 2007.

--- END ---