
SENATE BILL 5456

State of Washington 58th Legislature 2003 Regular Session

By Senators Keiser, Roach, Prentice, Benton and Kohl-Welles

Read first time 01/27/2003. Referred to Committee on Education.

1 AN ACT Relating to financial literacy; amending RCW 28A.230.020;
2 adding a new section to chapter 28A.230 RCW; adding a new section to
3 chapter 28A.630 RCW; creating a new section; and providing effective
4 dates.

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

6 NEW SECTION. **Sec. 1.** The legislature recognizes that financial
7 illiteracy has reached record proportions, and that the average high
8 school student lacks even a basic knowledge of personal finance.
9 Washington schools require reading, writing, and arithmetic to ensure
10 that our children have the necessary foundation to earn a paycheck, but
11 not the financial skills necessary to survive on this paycheck.

12 In addition, legislature recognizes the damaging effects of not
13 properly preparing youth for the financial realities of modern life,
14 including bankruptcy, poor retirement planning, mounting debt, and a
15 lower standard of living for Washington families.

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

18 (1) The state board of education shall develop or adopt, and shall

1 make available to schools, one or more model programs for youth
2 financial education. A program under this section shall be designed to
3 incorporate financial education throughout the curriculum for grades
4 kindergarten through twelve and shall be based on the concept of
5 achieving financial literacy through the teaching of personal financial
6 management skills and the basic principles involved with earning,
7 spending, saving, and investing.

8 (2) Each school district is encouraged to adopt and implement the
9 model financial education programs developed under this section or one
10 or more similar financial education programs.

11 (3) To the extent that federal funds are available for these
12 purposes, the superintendent of public instruction shall use those
13 funds for grants to public schools and other measures to encourage
14 implementation of financial education programs.

15 **Sec. 3.** RCW 28A.230.020 and 1991 c 116 s 6 are each amended to
16 read as follows:

17 All common schools shall give instruction in reading, penmanship,
18 orthography, written and mental arithmetic, financial literacy,
19 geography, the history of the United States, English grammar,
20 physiology and hygiene with special reference to the effects of alcohol
21 and drug abuse on the human system, science with special reference to
22 the environment, and such other studies as may be prescribed by rule or
23 regulation of the state board of education. All teachers shall stress
24 the importance of the cultivation of manners, the fundamental
25 principles of honesty, honor, industry and economy, the minimum
26 requisites for good health including the beneficial effect of physical
27 exercise and methods to prevent exposure to and transmission of
28 sexually transmitted diseases, and the worth of kindness to all living
29 creatures and the land. The prevention of child abuse may be offered
30 as part of the curriculum in the common schools.

31 NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.630
32 RCW to read as follows:

33 The state board of education shall establish a pilot program
34 authorizing and assisting up to five local school districts in the
35 implementation of programs on teaching personal financial literacy.
36 The purpose of the pilot program is to determine the best methods of

1 equipping students with the knowledge and skills they need, before they
2 become self-supporting, to make critical decisions regarding their
3 personal finances. The components of personal financial literacy
4 covered in the pilot program shall include, at a minimum, consumer
5 financial education, personal finance, and personal credit.

6 NEW SECTION. **Sec. 5.** Section 2 of this act takes effect January
7 1, 2004.

8 NEW SECTION. **Sec. 6.** Sections 3 and 4 of this act take effect
9 January 1, 2005.

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