
Education Committee

HB 2268

Brief Description: Establishing financial literacy as a high school graduation requirement.

Sponsors: Representatives Angel, Haler, Zeiger, Reykdal, Darneille, Kelley, Jinkins and Hargrove.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Tasks the State Board of Education with establishing financial literacy as a high school graduation requirement.• Provides that the financial literacy one-half credit requirement be within, and not in addition to, the total number of credits already required.
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Hearing Date: 1/23/12

Staff: Cece Clynch (786-7195).

Background:

Graduation Credit Requirements. The total number of credits required by the state for graduation is currently 20. The State Board of Education (SBE) has just finished making revisions to these credit requirements which will take effect July 1, 2012 and pertain to the Class of 2016. As illustrated in the following chart, the total number of required credits will remain at 20.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

SBE High School Graduation Requirements

Course/Credits	Class of 2013	Class of 2016
English	3	4
Math	3	3
Science	2 (1 Lab)	2 (1 Lab)
Social Studies	2.5	3
Arts	1	1
Health Fitness	2	1.5 .5
Occupational Ed	1	1
Electives	5.5	4
Total	20	20

The newly adopted SBE rule allows school districts to delay implementation of the new Social Studies, English, and elective credit requirements for two years. School districts seeking to delay implementation with respect to these changed credit requirements must submit a resolution from the school board to the SBE no later than June 1, 2012. A district filing a request with the SBE and delaying implementation must continue to at least maintain the English, Social Studies, and electives credits required for the Class of 2013.

Financial Literacy. Although there is no financial literacy credit requirement and there are no official Essential Academic Learning Requirements (EALRS) with respect to financial literacy, legislation passed in 2011 encouraged school districts to *voluntarily* adopt the JumpStart Coalition National Standards in K-12 Personal Finance Education. The JumpStart Coalition is a national organization that promotes financial education and is composed of over 180 public and private partners with state affiliates, including one in Washington.

The JumpStart standards were recommended by the state Financial Education Public-Private Partnership, made up of four legislators, four representatives from the financial services sector, four educators, one designee from the Department of Financial Institutions, and two representatives from the Office of the Superintendent of Public Instruction (OSPI). These standards are articulated at three grade levels (fourth, eighth, and 12th) and cover knowledge and skills across six broad areas of personal finance:

- Financial Responsibility and Decision Making.
- Income and Careers.
- Planning and Money Management.
- Credit and Debt.
- Risk Management and Insurance.
- Saving and Investing.

Summary of Bill:

The SBE must establish financial literacy as a high school graduation requirement. Students must complete at least one-half credit in financial literacy. This one-half credit must be within, and not in addition to, the total number of credits already required for graduation.

School districts may allow students to apply the financial literacy one-half credit toward graduation requirements in Social Studies. If the financial literacy course receives approval from the OSPI as a career and technical course, the financial literacy one-half credit could alternatively be applied toward graduation requirements in Occupational Education.

Minimum content for a financial literacy course that satisfies graduation requirements is specified, as follows:

- financial responsibility and decision making;
- income and careers;
- planning and money management;
- credit and debt management;
- risk management and insurance;
- saving and investing; and
- financial planning for higher education.

School districts are encouraged to invite financial professionals in the community to assist in providing instruction and learning activities as part of the course.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.