SENATE BILL REPORT
HB 1594

As of March 10, 2011

Title: An act relating to the membership and work of the financial education public-private partnership.

Brief Description: Concerning the membership and work of the financial education public-private partnership.

Sponsors: Representatives Santos and Anderson.

Brief History: Passed House: 2/28/11, 96-0.
    Committee Activity: Early Learning & K-12 Education: 3/10/11.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Kimberly Cushing (786-7421)

Background: The Financial Education Public-Private Partnership (Partnership) is 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.

The duties of the Partnership include:
- communicate financial education standards and strategies for improving financial education to school districts;
- review and develop a procedure for endorsing financial education curriculum;
- identify assessments and outcome measures that schools can use to determine whether students meet financial education standards; and
- monitor and provide guidance for professional development.

As a result of legislation enacted in 2007, "understanding the importance of work and finance...." appears as one of the goals of Basic Education. In 2008 financial literacy was included within Washington's 7th grade Grade Level Expectations for social studies and economics. There are no separate Essential Academic Learning Requirements (EALRs) for financial 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

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Washington. The JumpStart Coalition has adopted personal financial literacy learning standards for grades K-12, which the Partnership has recommended for adoption as the EALRs for Washington schools.

Summary of Bill: <u>Membership.</u> All members of the Partnership are appointed for two-year terms of service. Excluding legislative members and the representative from the Department of Financial Institutions, the terms of service are staggered so that half of the members within each category are appointed for a one-year term, and then a two-year term thereafter. Appointments under these provisions must be made by August 1, 2011.

<u>Standards.</u> Subject to funds appropriated to support school districts with curriculum and professional development, the JumpStart Coalition National Standards in K-12 Personal Finance Education are adopted as the EALRs for financial education. If funds are not appropriated, school districts are encouraged to adopt the standards voluntarily and provide students an opportunity to master them.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill incorporates recommendations of the Partnership, which has legislative representation. The Partnership began in 2003 and the same volunteers are still working on this important issue. Thus, it is prudent and refreshing to introduce term limits. The staggered term approach will prevent a brain drain. The Partnership has looked at a variety of standards and has talked about creating their own, but the nationally recognized JumpStart standards mesh with current EALRs. Even without funding, it is important to have content standards in personal finance.

Persons Testifying: PRO: Representative Santos, prime sponsor; Pam Whelley, Washington Council on Economics and Financial Education; Leslie Nuttman, Porsche Everson, Financial Education Public Private Partnership.