

HOUSE BILL REPORT

HB 1173

As Reported by House Committee On:
Education

Title: An act relating to the financial education public-private partnership.

Brief Description: Regarding the financial education public-private partnership.

Sponsors: Representatives Santos, Ryu, Roberts, Maxwell and Bergquist.

Brief History:

Committee Activity:

Education: 2/7/13, 2/8/13 [DP].

Brief Summary of Bill

- Adds the State Treasurer or State Treasurer's designee as a member to the Financial Education Public-Private Partnership (Partnership).
- Provides that teachers who are members of the Partnership be reimbursed for travel expenses and allowed to attend official meetings.
- Modifies the duties of the Partnership.
- Requires the Office of the Superintendent of Public Instruction to make financial education curriculum available to school districts, and school districts to provide courses with this curriculum.

HOUSE COMMITTEE ON EDUCATION

Majority Report: Do pass. Signed by 21 members: Representatives Santos, Chair; Stonier, Vice Chair; Dahlquist, Ranking Minority Member; Magendanz, Assistant Ranking Minority Member; Bergquist, Fagan, Haigh, Hargrove, Hawkins, Hayes, Hunt, Klippert, Lytton, Maxwell, McCoy, Orwall, Parker, Pike, Pollet, Seaquist and Warnick.

Staff: Luke Wickham (786-7146).

Background:

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.

The Financial Education Public-Private Partnership (Partnership) consists 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).

The duties of the Partnership include:

- communicating financial education standards and strategies for improving financial education to school districts;
- reviewing and developing a procedure for endorsing financial education curriculum;
- identifying assessments and outcome measures that schools can use to determine whether students meet financial education standards; and
- monitoring and providing guidance for professional development.

Legislation enacted in 2007 established "understanding the importance of work and finance" as one of the goals of basic education. In 2008 financial literacy was included in Washington's 7th Grade Level Expectations for social studies and economics. There are no separate Essential Academic Learning Requirements (EALRs) for financial education.

The JumpStart Coalition for Personal Financial Literacy (Coalition) is a nonprofit organization that promotes financial literacy among students from pre-kindergarten through college. The Coalition partners with corporate, nonprofit, academic, and government entities, including Washington. The Washington branch of the Coalition adopted financial literacy concepts that link with the EALRs, which school districts are encouraged to adopt.

Summary of Bill:

The State Treasurer or the State Treasurer's designee is added as a member to the Partnership.

Teachers who are members of the Partnership are to be paid their travel expenses according to current law from funds available in the Partnership account. Funds from the Partnership account may also pay for a substitute teacher when member teachers attend official meetings of the Partnership. If the Partnership pays for these expenses, the school district must release a teacher to attend official Partnership meetings.

Online instructional materials and resources are added to the financial education curriculum the Partnership reviews on an ongoing basis. The Partnership is tasked with working with the OSPI for purposes of integrating financial education skills and content knowledge into the Common Core State Standards, and working with the State Board of Education to incorporate financial education into definitions and standards for career and college readiness.

The Partnership is no longer required to identify assessments and outcome measures for schools to determine whether students meet the financial education standards, or to create professional development that could lead to a certificate endorsement or other certification of competency.

The OSPI is required to make curricula available to all districts for a course or courses in financial education. These courses must be selected with input from the Partnership. School districts must provide high school students the opportunity to complete financial education courses and publicize the availability of these courses to students and their families.

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.

Staff Summary of Public Testimony:

(In support) This bill would help students make smart financial decisions and avoid fraud. This is a logical extension of the work previously done by the Partnership. This would increase agency collaboration and allow young people to attain financial education. The Financial Education Public Private Partnership is a great joint partnership. It would be great for the OSPI to provide financial education to school districts. It is important to provide students with a solid foundation in the middle class. Without a basic understanding of finances, people can watch their assets get wiped out. The best time to provide financial education is when a student is in school, not later on. It is particularly important to teach this to students in families that do not have this education. This is necessary to create an even playing field. This will help students invest their money wisely.

(Opposed) None.

Persons Testifying: Linda Jekel, Department of Financial Institutions; Troy Stang, Northwest Credit Union Association; Lee Wojnor, Asset Building Coalition of Thurston County; Juan Aguilar, Yakima County Asset Building Coalition; Gina Stark, Office of the State Treasurer, and JumpStart Washington; Randy Dorn, Superintendent of Public Instruction; and Todd Pietzsch, Boeing Employees Credit Union.

Persons Signed In To Testify But Not Testifying: None.