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## Education Committee

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### 2SSB 5720

**Brief Description:** Providing student financial literacy education.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Mullet, Frockt, Gildon, Nguyen, Nobles and Randall).

#### Brief Summary of Second Substitute Bill

- Directs the Financial Education Public-Private Partnership (FEPPP) to establish a grant program to provide assistance to school districts for integrating financial literacy education into professional development for certificated staff.
- Authorizes the FEPPP to administer grant programs and perform other tasks in support of financial literacy.

**Hearing Date:** 2/18/22

**Staff:** Ethan Moreno (786-7386).

#### **Background:**

##### Program of Basic Education, State Learning Standards.

Washington's program of basic education establishes four goals for school districts pertaining to the opportunity for every student to develop the knowledge and skills essential for practicing certain academic skills and concepts. The fourth goal addresses "the importance of work and finance and how performance, effort, and decisions directly affect future career and educational opportunities."

In 2015 financial education learning standards developed by a national coalition for personal finance literacy were adopted in statute as the state's financial education learning standards. In

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

2016 the Office of the Superintendent of Public Instruction (OSPI), in accordance with its duty to develop state learning standards based on the four basic education goals, adopted financial education learning standards for public school students in all grades.

The OSPI, subject to consultation requirements with the Financial Education Public-Private Partnership (FEPPP), is required to make available to all school districts a list of materials that align with the financial education learning standards.

School districts must provide all students in grades nine through 12 with the opportunity to access the financial education learning standards. School districts also must publicize the availability of financial education opportunities to students and families, and they are encouraged to grant credit toward high school graduation requirements to students who successfully complete financial education courses.

#### The Financial Education Public-Private Partnership.

The 16-member FEPPP, which is comprised of legislators, representatives of the financial services sector, teachers, and others, is charged with determining the best methods of equipping students with the knowledge and skills they need to make critical decisions regarding their personal finances. In executing its charge, the FEPPP, subject to the available of funding, is directed to perform numerous duties, including:

- communicating to school districts the financial education learning standards, other financial education skills and content knowledge, and strategies for expanding the provision of financial education instruction;
- developing evaluation standards and a procedure for endorsing financial education curriculum that should be recommended for use in school districts;
- working with the OSPI to integrate financial education skills and content knowledge into the state learning standards;
- monitoring and providing guidance for professional development for educators regarding financial education, including ways that teachers at different grade levels can integrate financial skills and content knowledge into mathematics, social studies, and other course content areas;
- working with the OSPI and the Professional Educator Standards Board to create professional development in financial education; and
- providing an annual report to the Governor, the Superintendent of Public Instruction, and the committees of the Legislature with oversight over kindergarten through grade 12 education and higher education.

Subject to the availability of public and private funds, the FEPPP is authorized hire a staff member who resides in the OSPI for administrative purposes. Additional technical and logistical support for the FEPPP may be provided by the OSPI, the Department of Financial Institutions, the organizations composing the partnership, and other participants in the FEPPP.

#### **Summary of Bill:**

### Grant Program for Professional Development.

Subject to the availability of amounts appropriated for this specific purpose, the FEPPP must establish a grant program to provide assistance to school districts for integrating financial literacy education into professional development for certificated staff. The OSPI, in coordination with the FEPPP, is authorized to adopt rules for the implementation of the grant program, and provisions establishing and governing the program expire August 1, 2026.

Beginning with the 2023-24 school year, one-year grants must be made available for each of three consecutive school years, and the grants must be funded at \$7.50 per enrolled student in the school district, as determined by the annual average full-time equivalent enrollment reported to the OSPI. No school district may receive more than one grant from the grant program.

School districts seeking a grant must provide in their proposal that they will integrate financial literacy education into at least seven hours of their in-person professional development schedule for the school year for which the school district receives the grant.

The grants may be used by school districts for specified activities, including:

- coordinating teachers from across a school district to develop new instructional strategies and to share successful strategies;
- sharing successful practices across a group of school districts; and
- facilitating coordination between educational service districts (ESDs) and school districts to provide training.

### Additional Authorizations for the Financial Education Public-Private Partnership.

Governance provisions for the FEPPP are modified to permit the FEPPP to administer grant programs, including the proposed grant program or related programs established in the omnibus operating appropriations act. Subject to funding provisions, the FEPPP is also authorized to perform other tasks in support of financial literacy, including:

- hiring support staff;
- contracting with ESDs;
- facilitating the creation and implementation of professional development relating to financial literacy and education for certificated educational staff;
- working to facilitate, and confirm receipt of, specific outreach for financial literacy training to foster students and homeless youth, students receiving special education services, and tribal communities; and
- coordinating with providers in the Early Childhood Education and Assistance Program (ECEAP) for the purpose of providing a curriculum on financial literacy that can be shared with the parents or legal guardians of ECEAP participants.

**Appropriation:** None.

**Fiscal Note:** Available.

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

passed.