

SENATE BILL REPORT

2SSB 5720

As Passed Senate, February 10, 2022

Title: An act relating to student financial literacy education.

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 History:

Committee Activity: Early Learning & K-12 Education: 1/19/22, 1/28/22 [DPS-WM].
Ways & Means: 2/04/22, 2/07/22 [DP2S].

Floor Activity: Passed Senate: 2/10/22, 49-0.

Brief Summary of Second Substitute Bill

- Requires the Financial Education Public-Private Partnership (FEPPP) to establish a grant program for integrating financial literacy education into professional development for certificated staff, with specific criteria for grant recipients.
- Tasks FEPPP with additional duties, subject to appropriation, in support of financial literacy including, but not limited to hiring support staff; contracting with education service districts; facilitating the creation and implementation of professional development for certified educational staff relating to financial literacy; working to facilitate specific outreach to specific student populations; and coordinating with providers in early childhood education and assistance programs.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 5720 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

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.

Signed by Senators Wellman, Chair; Nobles, Vice Chair, K-12; Wilson, C., Vice Chair, Early Learning; Hawkins, Ranking Member; Dozier, Hunt, McCune, Mullet and Pedersen.

Staff: Benjamin Omdal (786-7442)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5720 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Capital; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital; Billig, Braun, Carlyle, Conway, Dhingra, Gildon, Hasegawa, Hunt, Keiser, Mullet, Muzzall, Pedersen, Rivers, Van De Wege, Wagoner, Warnick and Wellman.

Staff: Kayla Hammer (786-7305)

Background: Financial Education State Learning Standards. The Office of the Superintendent of Public Instruction (OSPI) is required to develop state learning standards that identify the knowledge and skills all public school students need to know and be able to do. Learning standards are based on the student learning goals of basic education, as laid out in statute. OSPI is required to periodically revise the state learning standards, as needed.

In 2009, the Legislature directed OSPI to integrate financial education skills and content knowledge into the state learning standards.

Financial Education Public-Private Partnership. In 2015, the Legislature established the Financial Education Public-Private Partnership (FEPPP). FEPPP is comprised of members of the Legislature, representatives from the private for-profit and nonprofit financial services sector, the Washington State Department of Financial Institutions, and OSPI, the State Treasurer, and teachers.

FEPPP has a variety of responsibilities, including, among others:

- seeking out and determining the best methods of equipping students with the knowledge and skills they need to make critical decisions regarding their personal finances;
- developing and communicating financial education standards to school districts;
- reviewing financial education curriculum; and
- monitoring, creating, and providing guidance for professional development (PD) for educators.

Summary of Second Substitute Bill: Financial Literacy Education Professional

Development Grant Program. FEPPP must establish a grant program for integrating financial literacy education into PD for certificated staff, subject to appropriation.

For a school district to qualify for a grant, the grant proposal must provide that the grantee integrate financial literacy education into at least seven hours of its current in-person PD schedule over the course of the entire school year for which the district receives the grant. Grants must be allocated at \$7.50 per enrolled student and must be made available for the 2023-24, 2024-25, and 2025-26 school years. A school district that receives a grant for one school year is prohibited from receiving a grant in subsequent grant cycles.

Additional activities permitted for the use of the grants include, but are not limited to:

- 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 ESDs and school districts to provide training.

Additional tasks are added to the statutory list of FEPPP's responsibilities subject to appropriation. FEPPP may perform additional tasks in support of financial literacy, including, but not limited to:

- hiring support staff, contracting with educational service districts;
- facilitating the creation and implementation of professional development for certificated educational staff relating to financial literacy and education;
- working to facilitate outreach for financial literacy training to foster students, homeless youth, students receiving special education services, and tribal communities; and
- coordinating with providers in the early childhood education and assistance program.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill (Early Learning & K-12 Education): *The committee recommended a different version of the bill than what was heard.* PRO: This would be the largest investment in state financial literacy. The grant program is voluntary and would allow the districts who want to integrate financial literacy into their professional development. Many students lack financial knowledge that they need in order to be prepared when they graduate. Students are vocal about their desire to have more financial education in their education. Parents, teachers, and others are also asking for greater investments in financial education. Financial literacy will be used by every single

student. Students who have received financial education speak about its benefits. Elementary students as well have been engaged and enjoy learning about personal finances.

OTHER: There should be a stronger emphasis on the work that FEPPP does, and they should have a more prominent role in directing financial literacy education going forward.

Persons Testifying (Early Learning & K-12 Education): PRO: Senator Mark Mullet, Prime Sponsor; Jackson Adams, Student, Walla Walla Public Schools; Kellen Hoard, Student of Northshore School District; Tracy Godat, Financial Education Public-Private Partnership; Robert de Grouchy; Jessica Vavrus, Association of Educational Service Districts; John Mumma, Financial Education of Public Private Partnership.

OTHER: Nasue Nishida, Washington Education Association.

Persons Signed In To Testify But Not Testifying (Early Learning & K-12 Education): No one.

Staff Summary of Public Testimony on First Substitute (Ways & Means): *The committee recommended a different version of the bill than what was heard.* OTHER: Financial literacy is a lifelong knowledge and skill-set which is good to have. It is good to grow that work under the Financial Education Public-Private Partnership (FEPPP). There may be a more streamlined approach for FEPPP for regional expansion rather than using the educational service districts.

Persons Testifying (Ways & Means): OTHER: Nasue Nishida, Washington Education Association.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.