

SENATE BILL REPORT

SHB 1915

As Reported by Senate Committee On:
Early Learning & K-12 Education, February 21, 2024

Title: An act relating to making financial education instruction a graduation prerequisite and a required component of public education.

Brief Description: Making financial education instruction a graduation prerequisite and a required component of public education.

Sponsors: House Committee on Education (originally sponsored by Representatives Rude, Stonier, Connors, Riccelli, Couture, Senn, McEntire, Santos, Steele, Bergquist, Harris, Walen, McClintock, Eslick, Cheney, Thai, Ortiz-Self, Bronoske, Leavitt, Corry, Tharinger, Low, Ryu, Christian, Slatter, Schmidt, Ramel, Barkis, Ramos, Cortes, Morgan, Reed, Graham, Ormsby, Barnard, Jacobsen, Fey, Timmons, Callan, Rule, Street, Chopp, Doglio, Sandlin, Goodman, Caldier, Berg, Robertson, Wylie, Hutchins, Reeves, Lekanoff, Shavers, Davis and Griffey).

Brief History: Passed House: 2/8/24, 97-0.

Committee Activity: Early Learning & K-12 Education: 2/21/24 [DP].

Brief Summary of Bill

- Requires public school students, beginning with the class of 2031, to earn one-half credit of financial education instruction (FEI) as a graduation prerequisite.
- Requires school districts, charter schools, and state-tribal education compact schools to provide students with access to no less than one-half credit of FEI beginning in or before the 2027-28 school year.
- Directs the Financial Education Public-Private Partnership to review specified financial education information submitted by school districts and create a statewide implementation plan for the financial education credit provision and graduation requirements by September 30, 2026.

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.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: Do pass.

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

Staff: Benjamin Omdal (786-7442)

Background: Program of Basic Education, Financial 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."

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. State law also requires OSPI to periodically revise the state learning standards, as needed.

In 2015 the Legislature directed OSPI to integrate financial education skills and content knowledge into the state learning standards. OSPI adopted these standards in 2016.

High School Graduation Requirements. Washington State students must meet various requirements to graduate high school and receive a diploma. Students must complete 24 credits in specified subject areas as determined by the State Board of Education (SBE). Students must also complete a High School and Beyond Plan, meet the requirements of at least one graduation pathway, and satisfy any local requirements.

Graduating students in the class of 2021 and subsequent classes must earn 17 core academic credits, four elective credits, and three locally determined personalized pathway credits.

Financial Education Public-Private Partnership. In 2015 the Legislature established the Financial Education Public-Private Partnership (FEPPP). The 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, OSPI, the State Treasurer, and teachers.

State law provides a variety of responsibilities for the FEPPP, including, among others:

- seeking out and determining the best methods of equipping students with the knowledges and skills they need to make critical decisions regarding their personal finances;
- developing communicating financial education standards to school districts;

- reviewing financial education curriculum;
- monitoring, creating, and providing guidance for professional development for educators;
- administer grant programs; and
- other tasks in support of financial literacy, subject to appropriation.

Summary of Bill: Revised Instructional Offering and Graduation Requirements. New instructional offering and graduation requirements related to financial education are established for school districts and students. Beginning in or before the 2027-28 school year, each school district that operates a high school must provide all high school students with access to no less than one-half credit of financial education instruction. The required content and instruction may be provided in stand-alone courses or embedded into other courses and subject areas, and instruction provided in accordance with the requirements must conform with the statewide financial education learning standards.

Beginning with students in the graduating class of 2031, each student graduating from a public high school must earn no less than one-half credit of financial education instruction.

Principals may waive the graduation requirement for students who resided outside of the state for six or more consecutive months during any part of grades 9 through 12. The waivers may only be issued on an individual basis and only for students in grade 12.

School districts must publicize the new instructional offering and graduation requirements to students and their parents or legal guardians, beginning no later than the 2027-28 school year.

Agency Requirements. By December 15, 2025, school districts must submit to the State Board of Education (SBE) and the Financial Education Public-Private Partnership (FEPPP):

- a list of the financial education instruction courses, graduation requirements, and credit requirements implemented for students during or prior to the 2024-25 school year;
- a description of the school district actions and other considerations necessary to implement the financial education requirements; and
- a plan and timeline for providing students with the ability to meet the financial education graduation requirement.

The FEPPP must analyze the information provided by school districts and create a statewide implementation plan for the financial education credit provision and graduation requirements. The plan, which must be submitted to the Office of the Superintendent of Public Instruction, the SBE, and the appropriate committees of the Legislature by September 30, 2026, may include recommendations for additional funding for grants to integrate financial literacy education into professional development for certificated staff and other school district resources in accordance with the school district submissions.

The SBE must review and monitor financial education offerings of school districts to ensure school district compliance with the applicable requirements. The SBE must also provide a summary of the information collected through the reviews and monitoring for school years 2027-28 and 2028-29 to the appropriate committees of the Legislature by January 10, 2030.

Applicability to Charter Schools and State-Tribal Education Compact Schools. The requirements of the bill for school districts apply also to charter schools and state-tribal education compact schools.

Appropriation: None.

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: No public hearing was held.

Persons Testifying: N/A

Persons Signed In To Testify But Not Testifying: N/A