

**Senator Patricia W. Jones** proposes the following substitute bill:

**FINANCIAL AND ECONOMIC LITERACY AMENDMENTS**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Patricia W. Jones**

House Sponsor: Rich Cunningham

---

---

**LONG TITLE**

**General Description:**

This bill modifies provisions relating to financial and economic literacy education.

**Highlighted Provisions:**

This bill:

► requires the State Board of Education to:

- contract with a provider to develop an online, end-of-course assessment for the general financial literacy course;
- require a school district or charter school to administer an online, end-of-course assessment to a student who takes the general financial literacy course;
- identify, and make available to teachers, online resources for financial and economic literacy education;
- in cooperation with school districts, charter schools, and interested private or nonprofit entities, provide professional development opportunities in financial and economic literacy to teachers;
- adopt course standards or objectives for the general financial literacy course that address certain topics;
- implement a teacher endorsement in general financial literacy; and
- administer the general financial literacy course in the same manner as other core



- 26 curriculum courses for grades 9 through 12 are administered;
- 27       ▶ modifies duties of a financial and economic literacy task force established by the
- 28 State Board of Education; and
- 29       ▶ makes technical amendments.

### 30 Money Appropriated in this Bill:

31 This bill appropriates in fiscal year 2015:

- 32       ▶ to the State Board of Education - Utah State Office of Education - Initiative
- 33 Programs as a one-time appropriation:

- 34       • from the Education Fund,  $\hat{H} \rightarrow$  ~~[\$100,000]~~ \$75,000  $\leftarrow \hat{H}$  ;

- 35       ▶ to the State Board of Education - Utah State Office of Education - Initiative
- 36 Programs as an ongoing appropriation:

- 37       • from the Education Fund, \$100,000;

- 38       ▶ to the State Board of Education - State Office of Education as a one-time
- 39 appropriation:

- 40       • from the Education Fund,  $\hat{H} \rightarrow$  ~~[\$100,000]~~ \$75,000  $\leftarrow \hat{H}$  ; and

- 41       ▶ to the State Board of Education - State Office of Education as an ongoing
- 42 appropriation:

- 43       • from the Education Fund, \$200,000.

### 44 Other Special Clauses:

45 This bill takes effect on July 1, 2014.

### 46 Utah Code Sections Affected:

47 AMENDS:

48 **53A-13-108**, as last amended by Laws of Utah 2012, Chapter 398

49 **53A-13-110**, as last amended by Laws of Utah 2013, Chapter 226

---

51 *Be it enacted by the Legislature of the state of Utah:*

52 Section 1. Section **53A-13-108** is amended to read:

53 **53A-13-108. Curriculum and graduation requirements.**

54 (1) The State Board of Education shall establish rigorous curriculum and graduation

55 requirements under Section **53A-1-402** ~~[, and consistent with state and federal regulations,]~~ for

56 grades 9 through 12 that~~[;]~~:

57           (a) are consistent with state law and federal regulations; and  
 58           (b) beginning no later than with the graduating class of 2008 [shah]:  
 59           ~~[(a)]~~ (i) use competency-based standards and assessments;  
 60           ~~[(b)]~~ (ii) include instruction that stresses general financial literacy from basic budgeting  
 61 to financial investments, including bankruptcy education and a general financial literacy  
 62 test-out option; and  
 63           ~~[(c)]~~ (iii) increase graduation requirements in language arts, mathematics, and science  
 64 to exceed the existing credit requirements of 3.0 units in language arts, 2.0 units in  
 65 mathematics, and 2.0 units in science.

66           (2) The State Board of Education shall also establish competency-based standards and  
 67 assessments for elective courses.

68           (3) On or before July 1, 2014, the State Board of Education shall adopt revised course  
 69 standards and objectives for the course of instruction in general financial literacy described in  
 70 Subsection (1)(b) that address:

71           (a) the costs of going to college, student loans, scholarships, and the Free Application  
 72 for Federal Student Aid (FAFSA); and

73           (b) technology that relates to banking, savings, and financial products.

74           (4) The State Board of Education shall administer the course of instruction in general  
 75 financial literacy described in Subsection (1)(b) in the same manner as other core curriculum  
 76 courses for grades 9 through 12 are administered.

77           Section 2. Section **53A-13-110** is amended to read:

78           **53A-13-110. Financial and economic literacy education.**

79           (1) As used in this section:

80           (a) "Financial and economic activities" include activities related to the topics listed in  
 81 Subsection (1)(b).

82           (b) "Financial and economic literacy concepts" include concepts related to the  
 83 following topics:

84           (i) basic budgeting;

85           (ii) saving and financial investments;

86           (iii) banking and financial services, including balancing a checkbook or a bank account  
 87 and online banking services;

- 88 (iv) career management, including earning an income;
- 89 (v) rights and responsibilities of renting or buying a home;
- 90 (vi) retirement planning;
- 91 (vii) loans and borrowing money, including interest, credit card debt, predatory
- 92 lending, and payday loans;
- 93 (viii) insurance;
- 94 (ix) federal, state, and local taxes;
- 95 (x) charitable giving;
- 96 (xi) online commerce;
- 97 (xii) identity fraud and theft;
- 98 (xiii) negative financial consequences of gambling;
- 99 (xiv) bankruptcy;
- 100 (xv) free markets and prices;
- 101 (xvi) supply and demand;
- 102 (xvii) monetary and fiscal policy;
- 103 (xviii) effective business plan creation, including using economic analysis in creating a
- 104 plan;
- 105 (xix) scarcity and choices;
- 106 (xx) opportunity cost and tradeoffs;
- 107 (xxi) productivity;
- 108 (xxii) entrepreneurship; and
- 109 (xxiii) economic reasoning.
- 110 (c) "Financial and economic literacy passport" means a document that tracks mastery
- 111 of financial and economic literacy concepts and completion of financial and economic
- 112 activities in kindergarten through grade 12.
- 113 (d) "General financial literacy course" means the course of instruction described in
- 114 Section 53A-13-108.
- 115 (2) The State Board of Education shall:
- 116 (a) in cooperation with interested private and nonprofit entities:
- 117 (i) develop a financial and economic literacy passport that students may elect to
- 118 complete;

119 (ii) develop methods of encouraging parent and educator involvement in completion of  
120 the financial and economic literacy passport; and

121 (iii) develop and implement appropriate recognition and incentives for students who  
122 complete the financial and economic literacy passport, including:

123 (A) a financial and economic literacy endorsement on the student's diploma of  
124 graduation;

125 (B) a specific designation on the student's official transcript; and

126 (C) any incentives offered by community partners;

127 (b) more fully integrate existing and new financial and economic literacy education  
128 into instruction in kindergarten through grade 12 by:

129 (i) coordinating financial and economic literacy instruction with existing instruction in  
130 other core curriculum areas such as mathematics and social studies;

131 (ii) using curriculum mapping;

132 (iii) creating training materials and staff development programs that:

133 (A) highlight areas of potential coordination between financial and economic literacy  
134 education and other core curriculum concepts; and

135 (B) demonstrate specific examples of financial and economic literacy concepts as a  
136 way of teaching other core curriculum concepts; and

137 (iv) using appropriate financial and economic literacy assessments to improve financial  
138 and economic literacy education and, if necessary, developing assessments;

139 (c) work with interested public, private, and nonprofit entities to:

140 (i) identify, and make available to teachers, online resources for financial and  
141 economic literacy education, including modules with interactive activities and turnkey  
142 instructor resources;

143 [(i)] (ii) coordinate school use of existing financial and economic literacy education  
144 resources;

145 [(ii)] (iii) develop simple, clear, and consistent messaging to reinforce and link existing  
146 financial literacy resources;

147 [(iii)] (iv) coordinate the efforts of school, work, private, nonprofit, and other financial  
148 education providers in implementing methods of appropriately communicating to teachers,  
149 students, and parents key financial and economic literacy messages; and

150            ~~[(iv)]~~ (v) encourage parents and students to establish higher education savings,  
151 including a Utah Educational Savings Plan account; ~~and]~~

152            (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
153 make rules to develop guidelines and methods for school districts and charter schools to more  
154 fully integrate financial and economic literacy education into other core curriculum courses[-];

155            (e) (i) contract with a provider, through a request for proposals process, to develop an  
156 online, end-of-course assessment for the general financial literacy course;

157            (ii) require a school district or charter school to administer an online, end-of-course  
158 assessment to a student who takes the general financial literacy course; and

159            (iii) develop a plan, through the state superintendent of public instruction, to analyze  
160 the results of an online, end-of-course assessment in general financial literacy that includes:

161            (A) an analysis of assessment results by standard; and  
162            (B) average scores statewide and by school district and school;

163            (f) in cooperation with school districts, charter schools, and interested private and  
164 nonprofit entities, provide opportunities for professional development in financial and  
165 economic literacy to teachers, including:

166            (i) a statewide learning community for financial and economic literacy;  
167            (ii) summer workshops; and  
168            (iii) online videos of experts in the field of financial and economic literacy education;  
169 and

170            (g) implement a teacher endorsement in general financial literacy that includes course  
171 work in financial planning, credit and investing, consumer economics, personal budgeting, and  
172 family economics.

173            (3) A public school shall provide the following to the parents or guardian of a  
174 kindergarten student during kindergarten enrollment:

175            (a) a financial and economic literacy passport; and  
176            (b) information about higher education savings options, including information about  
177 opening a Utah Educational Savings Plan account.

178            (4) (a) The State Board of Education shall establish a task force to study and make  
179 recommendations to the board on how to improve financial and economic literacy education in  
180 the public school system.

- 181 (b) The task force membership shall include representatives of:
- 182 (i) the State Board of Education;
- 183 (ii) school districts and charter schools; and
- 184 (iii) private or public entities that teach financial education and share a commitment to
- 185 empower individuals and families to achieve economic stability, opportunity, and upward
- 186 mobility.
- 187 (c) In 2013, the task force shall:
- 188 (i) review and recommend modifications to the course standards and objectives of the
- 189 general financial literacy course described in Section 53A-13-108 to ensure the course
- 190 standards and objectives reflect current and relevant content consistent with the financial and
- 191 economic literacy concepts listed in Subsection (1)(b);
- 192 (ii) study the development of an online assessment of students' competency in financial
- 193 and economic literacy that may be used to:
- 194 (A) measure student learning growth and proficiency in financial and economic
- 195 literacy; and
- 196 (B) assess the effectiveness of instruction in financial and economic literacy;
- 197 (iii) consider the development of a rigorous, online only, course to fulfill the general
- 198 financial literacy curriculum and graduation requirements specified in Section 53A-13-108;
- 199 (iv) identify opportunities for teaching financial and economic literacy through an
- 200 integrated school curriculum and in the regular course of school work;
- 201 (v) study and make recommendations for educator license endorsements for teachers of
- 202 financial and economic literacy;
- 203 (vi) identify efficient and cost-effective methods of delivering professional
- 204 development in financial and economic literacy content and instructional methods; and
- 205 (vii) study how financial and economic literacy education may be enhanced through
- 206 community partnerships.
- 207 (d) The task force shall reconvene every [~~two~~] three years to review and recommend
- 208 adjustments to the course standards and objectives of the general financial literacy course.
- 209 (e) The State Board of Education shall make a report to the Education Interim
- 210 Committee no later than the committee's November 2013 meeting summarizing the findings
- 211 and recommendations of the task force and actions taken by the board in response to the task

212 force's findings and recommendations.

213 Section 3. **Appropriation.**

214 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for  
 215 the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following sums of money  
 216 are appropriated from resources not otherwise appropriated, or reduced from amounts  
 217 previously appropriated, out of the funds or accounts indicated. These sums of money are in  
 218 addition to any amounts previously appropriated for fiscal year 2015.

219 To State Board of Education - Utah State Office of Education - Initiative Programs

220 <u>From Education Fund, One-time</u>	H→ [ <del>\$100,000</del> ] <u>\$75,000</u> ←H
221 <u>From Education Fund</u>	<u>\$100,000</u>

222 Schedule of Programs:

223 <u>Financial and Economic Literacy</u>	H→ [ <del>\$200,000</del> ] <u>\$175,000</u> ←H
--	---

224 The Legislature intends that the Utah State Office of Education use the appropriation  
 225 for Financial and Economic Literacy for the development and delivery of an online test for the  
 226 general financial literacy course.

227 To State Board of Education - State Office of Education

228 <u>From Education Fund, One-time</u>	H→ [ <del>\$100,000</del> ] <u>\$75,000</u> ←H
229 <u>From Education Fund</u>	<u>\$200,000</u>

230 Schedule of Programs:

231 <u>Teaching and Learning</u>	H→ [ <del>\$300,000</del> ] <u>\$275,000</u> ←H
----------------------------------	---

232 The Legislature intends that the State Office of Education use the appropriation for  
 233 Teaching and Learning for the improvement of financial and economic literacy education,  
 234 including professional development for educators, the endorsement of teachers who teach the  
 235 general financial literacy course, and the development of curriculum resources.

236 Section 4. **Effective date.**

237 This bill takes effect on July 1, 2014.