

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Education

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BILL: SB 1054

INTRODUCER: Senator Hutson and others

SUBJECT: Financial Literacy Instruction in Public Schools

DATE: February 8, 2022

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Brick</u>	<u>Bouck</u>	<u>ED</u>	<b>Favorable</b>
2.	_____	_____	<u>RC</u>	_____

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**I. Summary:**

SB 1054 is designated as the “Dorothy L. Hukill Financial Literacy Act.”

The bill requires that, beginning with students entering grade 9 in the 2022-2023 school year, students must earn one-half credit in personal financial literacy and money management in order to receive a standard high school diploma.

The bill establishes financial literacy standards within the Next Generation Sunshine State Standards beginning in the 2022-2023 school year and thereafter. Financial literacy standards must, at a minimum, establish personal financial literacy and money management.

The bill takes effect July 1, 2022.

**II. Present Situation:**

Florida law requires the adoption of standards for core curricula content taught in public schools and specifies the requirements that students must meet to earn a standard high school diploma.<sup>1</sup>

**Standard High School Diploma Requirements**

In order to receive a standard high school diploma, a student must successfully complete 24 credits in core-curricula and extracurricular courses with a 2.0 or higher cumulative grade point

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<sup>1</sup> Sections 1003.41 and 1003.4282(3), F.S.

average<sup>2</sup> with limited exceptions.<sup>3</sup> One of the courses within the 24 credits must be completed online.<sup>4</sup>

The 24 required credits must be completed in the following subject areas:<sup>5</sup>

- Four credits in English Language Arts (ELA) I, II, III, and IV.
- Four credits in mathematics, including one in Algebra I and one in Geometry.
- Three credits in science, two of which must have a laboratory component and one of which must include Biology I.
- Three credits in social studies including one credit in United States History, one credit in World History, one-half credit in economics, and one-half credit in United States Government.
- One credit in fine or performing arts, speech and debate, or practical arts.
- One credit in physical education which includes the integration of health.
- Eight credits in electives. School districts are required to develop and offer coordinated electives to enable a student to develop knowledge and skills in his or her area of interest and such electives must include opportunities for students to earn college credit.

### ***Career and Technical Education Graduation Pathway Option***

Students may also earn a standard high school diploma through the career and technical education pathway.<sup>6</sup> This pathway requires students to complete at least 18 credits, including:<sup>7</sup>

- Four credits in English Language Arts (ELA) I, II, III, and IV;
- Four credits in mathematics, including one in Algebra I and one in Geometry;
- Three credits in science, two of which must have a laboratory component and one which must include Biology I;
- Three credits in social studies including one credit in United States History, one credit in World History, one-half credit in economics, and one-half credit in United States Government;
- Two credits in career and technical education courses, resulting in a program completion and industry certification; and
- Two credits in work-based learning programs.

A student may substitute up to two credits of electives, including one-half credit in financial literacy, for work-based learning program courses to fulfill the work-based learning program requirements.<sup>8</sup> All credits required for graduation include courses that are identified by content-

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<sup>2</sup> Section 1003.4282(6)(a), F.S.

<sup>3</sup> Section 1002.3105(5), F.S. A student may graduate with a minimum of 18 credit hours through the Academically Challenging Curriculum to Enhance Learning option if the student meets core course credit, assessment, and GPA requirements and completes three electives.

<sup>4</sup> Section 1003.4282(4), F.S.

<sup>5</sup> Section 1003.4282(3)(a)-(g), F.S.

<sup>6</sup> Section 1003.4282(10), F.S.

<sup>7</sup> Florida Department of Education, *CTE Pathway Option for a Standard High School Diploma*, <https://www.fldoe.org/academics/career-adult-edu/career-tech-edu/pathways-option.stml> (last visited Feb. 3, 2022).

<sup>8</sup> Section 1003.4282(10)(a)3., F.S.

area experts as aligning with Florida's Next Generation Sunshine State Standards for that subject.<sup>9</sup>

### **Next Generation Sunshine State Standards**

The Next Generation Sunshine State Standards (NGSSS) establish the core content of the curriculum to be taught in Florida kindergarten through grade 12 public schools.<sup>10</sup> The standards must be rigorous and relevant to incrementally increase a student's core content knowledge and skills over time. The curricular content must integrate critical-thinking, problem-solving, and workforce-literacy skills; communication, reading, and writing skills; mathematics skills; collaboration skills; contextual and applied-learning skills; technology-literacy skills; information and media-literacy skills; and civic-engagement skills. The standards applicable to students in grades 9 through 12 may be organized by grade clusters that include more than one grade level except as otherwise provided for visual and performing arts, health and physical education, and foreign language standards.<sup>11</sup>

The State Board of Education is responsible for adopting the NGSSS and subsequent revisions to such standards.<sup>12</sup> Currently, the NGSSS must meet the following requirements:<sup>13</sup>

- English and Language Arts must establish specific curricular content for reading, writing, speaking and listening, and language.
- Science must establish specific curricular content for the nature of science, earth and space science, physical science, and life science.
- Mathematics must establish specific curricular content for algebra, geometry, statistics and probability, number and quantity, functions, and modeling.
- Social Studies must establish specific curricular content for geography, United States and world history, government, civics, humanities, economics, and financial literacy.
- Visual and performing arts, physical education, health, and foreign language must establish specific curricular content and include distinct grade level expectations for the core content knowledge and skills that a student is expected to have acquired by each individual grade level from kindergarten through grade 5. The standards for grades 6 through 12 may be organized by grade clusters of more than one grade level.

### ***Financial Literacy in Florida Schools***

Prior to 2019, financial literacy instruction was integrated into the NGSSS Social Studies standards and required within the one-half credit in economics to receive a standard high school diploma.<sup>14</sup> Financial literacy instruction included information regarding:<sup>15</sup>

- Earning income.
- Buying goods and services.

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<sup>9</sup> Section 1003.4282(1)(b), F.S.

<sup>10</sup> Section 1003.41(1), F.S.

<sup>11</sup> *Id.*

<sup>12</sup> Section 1003.41(3)-(4), F.S. Standards are reviewed by educators, school administrators, representatives of Florida college institutions and universities, business and industry leaders, and the public. The Commissioner of Education must develop and submit revisions to the NGSSS as needed.

<sup>13</sup> Section 1003.41(2), F.S.

<sup>14</sup> Section 1003.41(2)(d), F.S. (2018) repealed s. 12 and 14, ch. 2019-119, L.O.F.

<sup>15</sup> *Id.*

- Saving and financial investing.
- Taxes.
- The use of credit and credit cards.
- Budgeting and debt management, including student loans and secured loans.
- Banking and financial services.
- Planning for one’s financial future, including higher education and career planning.
- Credit reports and scores.
- Fraud and identity theft prevention.

All school districts are currently required to offer a financial literacy course consisting of at least one-half credit as an elective, however it is not a graduation requirement.<sup>16</sup> The 2021-2022 Course Code Directory<sup>17</sup> lists four one-half credit courses in economics with financial literacy, and two one-half credit courses in personal financial literacy.

### III. Effect of Proposed Changes:

SB 1054 is designated as the “Dorothy L. Hukill Financial Literacy Act.”

The bill modifies s. 1003.4282, F.S., to require that, beginning with students entering grade 9 in the 2022-2023 school year, students must earn seven and one-half credits in electives, and earn one-half credit in personal financial literacy and money management in order to receive a standard high school diploma. The bill retains the current requirement for a student to successfully complete 24 credits to earn a standard high school diploma, and retains current law for students who entered grade 9 before the 2022-2023 school year, which requires that such students earn 8 credits in electives.

The bill specifies financial literacy course instruction to include:

- Types of bank accounts offered, opening and managing a bank account, and assessing the quality of a depository institution’s services;
- Balancing a checkbook;
- Basic principles of money management, such as spending, credit, credit scores, and managing debt, including retail and credit card debt;
- Completing a loan application;
- Receiving an inheritance and related implications;
- Basic principles of personal insurance policies;
- Computing federal income taxes;
- Local tax assessments;
- Computing interest rates by various mechanisms;
- Simple contracts;
- Contesting an incorrect billing statement;
- Types of savings and investments; and
- State and federal laws concerning finance.

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<sup>16</sup> 1003.4282(8), F.S.

<sup>17</sup> The Course Code Directory lists all public PreK-12 and postsecondary career and technical education courses that are available for use by school districts. Rule 6A-1.09441, F.A.C.

The bill modifies s. 1003.41, F.S., to require that the financial literacy standards within the Next Generation Sunshine State Standards must, beginning for students entering grade 9 in the 2022-2023 school year and thereafter, establish curricular content for, at a minimum, personal financial literacy, money management, and specified instructional areas in the required half-credit course in personal financial literacy.

The bill takes effect July 1, 2022.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill does not impact state revenues or state expenditures. However, there may be an impact to districts to create and incorporate the half-credit financial literacy course that would be required for high school students who enter grade 9 beginning with the 2022-2023 school year.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends sections 1003.41, 1003.4282 of the Florida Statutes.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.