

***SENATE . . . . . No. 01994***

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The Commonwealth of Massachusetts

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In the Year Two Thousand Eleven.  
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AN ACT CONCERNING PERSONAL FINANCIAL LITERACY IN SCHOOLS.

Whereas, the deferred operation of this act would tend to defeat its purpose, which is forthwith to

increase the personal financial literacy of students in the Commonwealth, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 69 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by inserting after section 1N the following section:-

Section 1O. To equip students with the knowledge and skills needed to become self-supporting and to enable students to make critical decisions regarding personal finances, the department of elementary and secondary education shall authorize and assist in the implementation of standards and objectives on personal financial literacy. The components of personal financial literacy covered in the standards and objectives shall include: understanding loans, borrowing money, interest, credit card debt, and online commerce; rights and responsibilities of renting or buying a home; saving, investing and planning for retirement; banking and financial services; balancing a checkbook; state and federal taxes; and charitable giving.

The department shall develop standards and objectives on personal financial literacy, for grades pre-kindergarten to 12, inclusive, within the existing mathematics

curriculum for implementation by the start of the 2013-2014 school year. The department shall make available to school districts, charter schools, approved private day or residential schools, and collaborative schools a list of resources to aid in the selection of materials and curriculum on personal financial literacy. The department shall identify and offer information on cost-effective methods for fulfilling the professional development activities needed to implement said standards and objectives. The department may consult with private, nonprofit, or other government institutions in order to identify and offer said information. The department may apply for any federal, state, or other funding, including funding available through the Financial Literacy Trust Fund, as established by Chapter 10 of the General Laws, as amended by Chapter 14 of the Acts of 2011.

SECTION 2. The department shall establish an advisory committee to consist of 10 members: a representative from the department of elementary and secondary education, to be appointed by the commissioner of elementary and secondary education, who shall serve as co-chair; a representative from the office of the state treasurer, to be appointed by the state treasurer and receiver general, who shall serve as co-chair; 2 educators, 1 of whom shall be appointed by the Massachusetts Teachers Association and 1 of whom shall be appointed by American Federation of Teachers Massachusetts; a superintendent selected by the Massachusetts Association of School Superintendents; a representative from the Massachusetts office of consumer affairs and business regulation, to be appointed by the undersecretary of the Massachusetts office of consumer affairs and business regulation; a representative appointed by the Massachusetts Bankers Association; a representative appointed by the Massachusetts Credit Union League; a representative appointed by the Massachusetts Council on Economic Education; and a professor from a Massachusetts college who teaches financial literacy or personal finance, to be appointed by the commissioner of higher education.

The advisory committee shall meet no less than 3 times annually for the first 4 years within the effective date of this section. The advisory committee shall conduct a study on current programs on financial literacy being offered in the Commonwealth for grades pre-kindergarten to 12, inclusive, and the cost, to individual schools and school districts, of offering said programs. The advisory committee shall submit the results of its investigation to the clerks of the senate and the house who shall forward the same to the chairs of the joint committee on education on or before August 31, 2012.

The advisory committee shall also advise and oversee the development and implementation of standards and objectives on personal financial literacy. After the submission of the first report on or before August 31, 2012, the advisory committee shall submit a report on best practices and recommended improvements annually thereafter for three subsequent years to the clerks of the senate and the house who shall forward the same to the chairs of the joint committee on education on or before December 31. The advisory committee shall consult with individuals with relevant experiences including

representatives from insurance and investment firms, real estate firms, and bankruptcy attorneys.