

**FINANCIAL AND ECONOMIC LITERACY AMENDMENTS**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Patricia W. Jones**

House Sponsor: \_\_\_\_\_

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**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; and

• 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;

▸ modifies duties of a financial and economic literacy task force established by the State Board of Education; and

▸ makes technical amendments.

**Money Appropriated in this Bill:**

This bill appropriates in fiscal year 2015:

▸ to the State Board of Education - Utah State Office of Education - Initiative



28 Programs as a one-time appropriation:

- 29 • from the Education Fund, \$100,000;
- 30 ▶ to the State Board of Education - Utah State Office of Education - Initiative

31 Programs as an ongoing appropriation:

- 32 • from the Education Fund, \$100,000;
- 33 ▶ to the State Board of Education - State Office of Education as a one-time

34 appropriation:

- 35 • from the Education Fund, \$100,000; and
- 36 ▶ to the State Board of Education - State Office of Education as an ongoing

37 appropriation:

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

39 **Other Special Clauses:**

40 This bill takes effect on July 1, 2014.

41 **Utah Code Sections Affected:**

42 AMENDS:

43 **53A-13-108**, as last amended by Laws of Utah 2012, Chapter 398

44 **53A-13-110**, as last amended by Laws of Utah 2013, Chapter 226



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

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

48 **53A-13-108. Curriculum and graduation requirements.**

49 (1) The State Board of Education shall establish rigorous curriculum and graduation  
50 requirements under Section **53A-1-402**, and consistent with state and federal regulations, for  
51 grades 9 through 12 that, beginning no later than with the graduating class of 2008 [~~shall~~]:

52 (a) [~~use~~] uses competency-based standards and assessments;

53 (b) [~~include~~] includes instruction that stresses general financial literacy from basic  
54 budgeting to financial investments, including bankruptcy education and a general financial  
55 literacy test-out option; and

56 (c) [~~increase~~] increases graduation requirements in language arts, mathematics, and  
57 science to exceed the existing credit requirements of 3.0 units in language arts, 2.0 units in  
58 mathematics, and 2.0 units in science.

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

61 (3) The State Board of Education shall adopt course standards or objectives for the  
62 course of instruction in general financial literacy described in Subsection (1)(b) that address:

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

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

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

67 **53A-13-110. Financial and economic literacy education.**

68 (1) As used in this section:

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

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

73 (i) basic budgeting;

74 (ii) saving and financial investments;

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

77 (iv) career management, including earning an income;

78 (v) rights and responsibilities of renting or buying a home;

79 (vi) retirement planning;

80 (vii) loans and borrowing money, including interest, credit card debt, predatory  
81 lending, and payday loans;

82 (viii) insurance;

83 (ix) federal, state, and local taxes;

84 (x) charitable giving;

85 (xi) online commerce;

86 (xii) identity fraud and theft;

87 (xiii) negative financial consequences of gambling;

88 (xiv) bankruptcy;

89 (xv) free markets and prices;

- 90 (xvi) supply and demand;
- 91 (xvii) monetary and fiscal policy;
- 92 (xviii) effective business plan creation, including using economic analysis in creating a
- 93 plan;
- 94 (xix) scarcity and choices;
- 95 (xx) opportunity cost and tradeoffs;
- 96 (xxi) productivity;
- 97 (xxii) entrepreneurship; and
- 98 (xxiii) economic reasoning.

99 (c) "Financial and economic literacy passport" means a document that tracks mastery  
100 of financial and economic literacy concepts and completion of financial and economic  
101 activities in kindergarten through grade 12.

102 (d) "General financial literacy course" means the course of instruction described in  
103 Section 53A-13-108.

104 (2) The State Board of Education shall:

105 (a) in cooperation with interested private and nonprofit entities:

106 (i) develop a financial and economic literacy passport that students may elect to  
107 complete;

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

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

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

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

115 (C) any incentives offered by community partners;

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

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

120 (ii) using curriculum mapping;

- 121 (iii) creating training materials and staff development programs that:
- 122 (A) highlight areas of potential coordination between financial and economic literacy  
123 education and other core curriculum concepts; and
- 124 (B) demonstrate specific examples of financial and economic literacy concepts as a  
125 way of teaching other core curriculum concepts; and
- 126 (iv) using appropriate financial and economic literacy assessments to improve financial  
127 and economic literacy education and, if necessary, developing assessments;
- 128 (c) work with interested public, private, and nonprofit entities to:
- 129 (i) coordinate school use of existing financial and economic literacy education  
130 resources;
- 131 (ii) develop simple, clear, and consistent messaging to reinforce and link existing  
132 financial literacy resources;
- 133 (iii) coordinate the efforts of school, work, private, nonprofit, and other financial  
134 education providers in implementing methods of appropriately communicating to teachers,  
135 students, and parents key financial and economic literacy messages; and
- 136 (iv) encourage parents and students to establish higher education savings, including a  
137 Utah Educational Savings Plan account; [~~and~~]
- 138 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
139 make rules to develop guidelines and methods for school districts and charter schools to more  
140 fully integrate financial and economic literacy education into other core curriculum courses[-];
- 141 (e) (i) contract with a provider, through a request for proposals process, to develop an  
142 online, end-of-course assessment for the general financial literacy course;
- 143 (ii) require a school district or charter school to administer an online, end-of-course  
144 assessment to a student who takes the general financial literacy course; and
- 145 (iii) develop a plan, through the state superintendent of public instruction, to analyze  
146 the results of an online, end-of-course assessment in general financial literacy that includes:
- 147 (A) an analysis of assessment results by standard; and
- 148 (B) average scores statewide and by school district and school; and
- 149 (f) in cooperation with school districts, charter schools, and interested private and  
150 nonprofit entities, provide opportunities for professional development in financial and  
151 economic literacy to teachers, including:

- 152            (i) a statewide learning community for financial and economic literacy;
- 153            (ii) summer workshops; and
- 154            (iii) online videos of experts in the field of financial and economic literacy education.

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

- 157            (a) a financial and economic literacy passport; and
- 158            (b) information about higher education savings options, including information about  
159 opening a Utah Educational Savings Plan account.

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

163            (b) The task force membership shall include representatives of:

- 164            (i) the State Board of Education;
- 165            (ii) school districts and charter schools; and
- 166            (iii) private or public entities that teach financial education and share a commitment to  
167 empower individuals and families to achieve economic stability, opportunity, and upward  
168 mobility.

169            (c) In 2013, the task force shall:

170            (i) review and recommend modifications to the course standards and objectives of the  
171 general financial literacy course described in Section 53A-13-108 to ensure the course  
172 standards and objectives reflect current and relevant content consistent with the financial and  
173 economic literacy concepts listed in Subsection (1)(b);

174            (ii) study the development of an online assessment of students' competency in financial  
175 and economic literacy that may be used to:

176            (A) measure student learning growth and proficiency in financial and economic  
177 literacy; and

178            (B) assess the effectiveness of instruction in financial and economic literacy;

179            (iii) consider the development of a rigorous, online only, course to fulfill the general  
180 financial literacy curriculum and graduation requirements specified in Section 53A-13-108;

181            (iv) identify opportunities for teaching financial and economic literacy through an  
182 integrated school curriculum and in the regular course of school work;

183 (v) study and make recommendations for educator license endorsements for teachers of  
184 financial and economic literacy;

185 (vi) identify efficient and cost-effective methods of delivering professional  
186 development in financial and economic literacy content and instructional methods; and

187 (vii) study how financial and economic literacy education may be enhanced through  
188 community partnerships.

189 (d) The task force shall reconvene every [~~two~~] three years to review and recommend  
190 adjustments to the course standards and objectives of the general financial literacy course.

191 (e) The State Board of Education shall make a report to the Education Interim  
192 Committee no later than the committee's November 2013 meeting summarizing the findings  
193 and recommendations of the task force and actions taken by the board in response to the task  
194 force's findings and recommendations.

195 Section 3. **Appropriation.**

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

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

202 From Education Fund, One-time \$100,000

203 From Education Fund \$100,000

204 Schedule of Programs:

205 Financial and Economic Literacy \$200,000

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

209 To State Board of Education - State Office of Education

210 From Education Fund, One-time \$100,000

211 From Education Fund \$200,000

212 Schedule of Programs:

213 Teaching and Learning \$300,000

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

218           Section 4. **Effective date.**

219           This bill takes effect on July 1, 2014.

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**Legislative Review Note**  
**as of 12-9-13 7:14 AM**

**Office of Legislative Research and General Counsel**