

SENATE BILL REPORT

SB 5720

As of January 19, 2022

Title: An act relating to student financial literacy education.

Brief Description: Providing student financial literacy education.

Sponsors: Senators Mullet, Frockt, Gildon, Nguyen, Nobles and Randall.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/19/22.

Brief Summary of Bill

- Requires educational service districts (ESDs) to have staff positions solely dedicated to student financial literacy education beginning with the 2022-23 school year, subject to appropriation, and with specific geographic requirements.
- Directs financial literacy education staff at ESDs to provide support to school districts in furthering financial education goals, to facilitate the creation and implementation of professional development (PD), and to coordinate outreach to various groups.
- Requires the Office of the Superintendent of Public Instruction to establish a grant program for integrating financial literacy education into PD for certificated staff, with specific criteria for grant recipients.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Benjamin Omdal (786-7442)

Background: Financial Education State Learning Standards. 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

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do. Learning standards are based on the student learning goals of basic education, as laid out in statute. OSPI is required to periodically revise the state learning standards, as needed.

In 2009, the Legislature directed OSPI to integrate financial education skills and content knowledge into the state learning standards.

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

FEPFP has a variety of responsibilities, including, among others:

- seeking out and determining the best methods of equipping students with the knowledge and skills they need to make critical decisions regarding their personal finances;
- developing and communicating financial education standards to school districts;
- reviewing financial education curriculum; and
- monitoring, creating, and providing guidance for professional development (PD) for educators.

Educational Service Districts. Washington has nine regionally-based educational service districts (ESDs) that provide cooperative and informational services to local school districts. ESDs have been tasked with providing teachers' institutes, workshops for staff preparation, in-service training, and other trainings on a variety of topics, including school safety.

Summary of Bill: Educational Service Districts Financial Literacy Education Staffing. Beginning with the 2022-23 school year, ESDs must have staff positions solely dedicated to student financial literacy, subject to appropriation. Staff in these positions shall:

- provide support to school districts and other local education agencies in furthering state financial education goals;
- coordinate with FEPFP;
- facilitate the creation and implementation of PD for certificated educational staff relating to financial literacy and education;
- work to facilitate specific outreach for financial literacy training to certain groups;
- coordinate with providers in the Early Childhood Education and Assistance Program to provide a curriculum on financial literacy that can be shared with the parents or legal guardians of program participants; and
- other duties relating to financial education as necessary.

ESD staff positions shall be full-time, or the equivalent, and allocated by geographic area as follows:

- two positions for the ESD with the largest population of students;
- one position for the ESD with the second-largest population of students;
- one position for the two northernmost ESDs east of the crest of the Cascade mountains;
- one position for the two southernmost educational districts east of the Cascade mountains;
- one position for the ESDs that service school districts located on the Olympic Peninsula; and
- one position for the remaining ESD.

The Office of the Superintendent of Public Instruction Financial Literacy Education Professional Development Grant Program. OSPI must establish a grant program for integrating financial literacy education into PD for certificated staff, subject to appropriation.

OSPI must coordinate with financial literacy education ESD staff when creating or selecting PD curricula, developing grant criteria, selecting applicants, and facilitating grants.

For a school district to qualify for a grant, the grant proposal must provide that the grantee integrate financial literacy education into at least seven hours of its current in-person PD schedule over the course of the entire school year for which the district receives the grant. Grants must be allocated at \$10 per enrolled student and must be made available for the 2023-24, 2024-25, and 2025-26 school years.

Additional activities permitted for the use of the grants include, but are not limited to:

- coordinating teachers from across a school district to develop new instructional strategies and to share successful strategies;
- sharing successful practices across a group of school districts; and
- facilitating coordination between ESDs and school districts to provide training.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Requested on January 12, 2022.

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: PRO: This would be the largest investment in state financial literacy. The grant program is voluntary and would allow the districts who want to integrate financial literacy into their professional development. Many students lack financial knowledge that they need in order to be prepared when they graduate. Students are vocal about their desire to have more financial education in their education. Parents,

teachers, and others are also asking for greater investments in financial education. Financial literacy will be used by every single student. Students who have received financial education speak about its benefits. Elementary students as well have been engaged and enjoy learning about personal finances.

OTHER: There should be a stronger emphasis on the work that FEPPEP does, and they should have a more prominent role in directing financial literacy education going forward.

Persons Testifying: PRO: Senator Mark Mullet, Prime Sponsor; Jackson Adams, Student, Walla Walla Public Schools; Kellen Hoard, Student of Northshore School District; Tracy Godat, Financial Education Public-Private Partnership; Robert de Grouchy; Jessica Vavrus, Association of Educational Service Districts; John Mumma, Financial Education of Public Private Partnership.

OTHER: Nasue Nishida, Washington Education Association.

Persons Signed In To Testify But Not Testifying: No one.