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**Education Committee**

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**HB 1980**

**Brief Description:** Regarding the financial literacy public-private partnership.

**Sponsors:** Representatives Kelley, Santos, Ormsby, Roach and Morrell.

**Brief Summary of Bill**

- Extends the date to 2009 for completion of activities of the Financial Literacy Public-Private Partnership (Partnership).
- Adds activities for the Partnership, including developing Essential Academic Learning Requirements in personal finance.
- Appropriates \$50,000 per year from the State General Fund for the 2007-09 biennium to support the work of the Partnership.

**Hearing Date:** 2/15/07

**Staff:** Barbara McLain (786-7383).

**Background:**

Financial literacy is the achievement of skills and knowledge necessary to make informed judgments and effective decisions regarding earning, spending, and the management of money and credit.

In 2004, the Legislature created the Financial Literacy Public-Private Partnership (Partnership) consisting of legislators, representatives from the Office of the Superintendent of Public Instruction (OSPI) and the Department of Financial Institutions, financial services representatives, and educators. The Partnership is charged with identifying important financial literacy skills and knowledge and considering strategies to increase financial literacy in public school students. Such strategies include instructional materials, assessment measures, and professional development to expand and improve financial literacy instruction.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

There is a Partnership account administered by the OSPI which can be used for public funds and private donations. For the first years of its existence, the Partnership did not have state operating funds. However, \$50,000 was appropriated to the Partnership account in the 2006 supplemental operating budget. The Partnership is scheduled to issue a final report and expire on June 30, 2007.

**Summary of Bill:**

The date for the completion of activities by the Partnership is extended from June 30, 2006, to June 30, 2009. The Partnership's final report in June of 2007 becomes an interim report, and a new final report date is set for June 30, 2010. New activities are added: creating resource materials on personal finance to guide student culminating projects, developing Essential Academic Learning Requirements for personal finance, and preparing recommendations for including financial literacy principles in the Washington Assessment of Student Learning.

If funds are provided, the OSPI and other members of the partnership will make financial literacy materials available to school districts. School districts are encouraged to provide students with an opportunity to master financial literacy skills and knowledge.

**Appropriation:** The sum of \$50,000 is appropriated from the State General Fund to the Washington Financial Literacy Public-Private Partnership for the fiscal year ending June 30, 2008 and an additional \$50,000 is appropriated for the fiscal year ending June 30, 2009.

**Fiscal Note:** Requested on February 6, 2007.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.