
OLR Bill Analysis

SB 1165 (File 257, as amended by Senate "A")*

AN ACT CONCERNING FINANCIAL LITERACY INSTRUCTION.

SUMMARY

This bill adds a half-credit of personal financial management and financial literacy to the high school graduation requirements beginning with the graduating class of 2027 (i.e., students currently enrolled in eighth grade). The bill also adds personal financial management and financial literacy to the state's required program of instruction for public schools.

It also makes completion of a one-credit, mastery-based diploma assessment (i.e., a "capstone") an optional, rather than mandatory, graduation requirement at each board of education's discretion.

By law, a school board cannot grant a high school diploma unless the student has completed at least 25 credits total. By making the completion of one-credit capstone a local option and allowing students to fulfill the half-credit financial literacy requirement either as a humanities credit or as an elective credit, the bill reduces the state-prescribed credit requirements from 22 to 21 credits, thereby increasing the potential credits available for electives to a range of three to four. (The exact number of elective credits depends upon the (1) local decision to require a capstone and (2) student's decision to count financial literacy towards the humanities requirement or as an elective.)

In addition to the capstone and financial literacy requirements under the bill, existing law requires students to fulfill 21 of their 25 credits required to graduate as follows:

1. nine credits in the humanities, including civics and the arts;
2. nine in science, technology, engineering, and mathematics;

3. one in physical education and wellness;
4. one in health and safety education, as described in law; and
5. one in world languages (completion of a world language course in middle school may count).

It also makes technical and conforming changes.

*Senate Amendment "A" (1) makes completion of a one-credit mastery-based diploma assessment an optional, rather than mandatory, graduation requirement at each board of education's discretion and (2) allows the half-credit in personal financial management and financial literacy to count towards the nine-credit humanities graduation requirement or as an elective credit.

EFFECTIVE DATE: July 1, 2023, except a conforming change is effective July 1, 2025.

§§ 2 & 3 — PERSONAL FINANCIAL MANAGEMENT AND FINANCIAL LITERACY

The bill adds personal financial management and financial literacy to the state's required program of instruction for public schools. By law, the required program of study includes, among other subjects, the arts; language arts, including reading and writing; mathematics; physical education; science; and social studies, including citizenship, geography, government, history, Holocaust and genocide awareness, African-American and Black studies, and Puerto Rican and Latino studies.

By law, the State Board of Education (SBE) must make available curriculum and materials to help school boards develop their curriculum, including the required program of instruction. The law also requires SBE, within available appropriations, to help and encourage school boards to develop instructional programs for a range of topics, some of which are included in the required program of instruction and some of which, such as personal financial management, currently are not.

Financial Literacy Plan and Definition

Current law, unchanged by the bill, allows the State Department of Education, the Board of Regents for Higher Education, and the UConn Board of Trustees to, in consultation with the Banking Department, develop a plan to give each high school student financial literacy instruction. The plan is not a requirement for school districts but an option available to them.

The law permitting the plan defines “financial literacy” to include banking, investing, savings, the handling of personal finance matters, and the impact of using credit cards and debit cards.

COMMITTEE ACTION

Education Committee

Joint Favorable

Yea 39 Nay 2 (03/10/2023)