

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 23-21—SB 1165

Education Committee

Appropriations Committee

AN ACT CONCERNING FINANCIAL LITERACY INSTRUCTION

SUMMARY: This act 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 who completed eighth grade in the spring of 2023). It also adds personal financial management and financial literacy to the state’s required program of instruction for public schools.

The act also makes completion of a one-credit, mastery-based diploma assessment (i.e., a “capstone”) optional, rather than mandatory, for graduation 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 a 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 act reduces the state-prescribed credit requirements from 22 to 21 credits, which increases the minimum potential credits available for electives to a range of three to four. (The exact number of elective credits depends upon the (1) local decision whether to require a capstone and (2) decision to count financial literacy towards the nine-credit humanities requirement or as an elective.)

The act also makes technical and conforming changes.

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

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

The act adds personal financial management and financial literacy to the state’s required program of instruction for public schools. By law, the required program of instruction 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. Within available appropriations, SBE must also help and encourage school boards to develop instructional programs for a range of topics, including personal financial management as developed under a plan in a separate existing law (see BACKGROUND).

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BACKGROUND

Financial Literacy Plan and Definition

Existing law allows the State Department of Education, the Board of Regents for Higher Education, and the UConn Board of Trustees, in consultation with the Banking Department, to develop a plan to give each high school student financial literacy instruction (CGS § 10-16pp). The plan is not a requirement for school districts but an option available to them.

Under this law, “financial literacy” includes banking, investing, savings, handling personal finance matters, and the impact of using credit cards and debit cards.