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## **OLR Bill Analysis**

### **SB 1165**

#### ***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 (students currently enrolled in eighth grade). By law, a school board cannot grant a high school diploma unless the student has completed at least 25 credits total, including at least 22 credits 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;
5. one in world languages (completion of a world language course in middle school may count); and
6. a one credit mastery-based diploma assessment.

In adding financial literacy to this list, the bill does not correspondingly increase the total credits necessary for graduation (25). As a result, the bill also decreases the credits available for electives from three to 2.5.

The bill also adds personal financial management and financial literacy to the state's required program of instruction for public schools.

It 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 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 the 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)