

Model Legislation

A bill to be entitled

“An act establishing a stand-alone personal finance course as a condition of high school graduation.”

Be it enacted by the Legislature of the State of _____:

Section 1. The Legislature finds and declares all of the following:

- a. 57% of United States adults are considered financially illiterate.
- b. Americans hold \$13.67 T in debt, with the average U.S. household owing \$135,065.
- c. High school seniors nationwide scored an average of 48% on a financial literacy exam.
- d. Only 16% of Americans from ages 18 to 26 are “very optimistic” about their financial future.
- e. 69% of parents have some reluctance talking about financial matters with their children.
- f. Four out of five adults say they were never given an opportunity to learn about financial education.
- g. 76% of Millennials lack basic financial knowledge.
- h. Students from states with a required personal finance course have higher credit scores and lower loan delinquency rates post-graduation.
- i. 95% of United States teenagers say they would value being taught financial literacy in school.
- j. 93% of Americans believe all high school students should be required to take a financial literacy course.
- k. Students who take a financial literacy course are 30% more likely to have a budget and almost twice as likely to invest money.
- l. Financial literacy includes the knowledge, understanding, skills, and behaviors that enable students to make responsible and effective financial decisions on a daily basis.
- m. The teaching of financial literacy skills empowers students with the tools they need to enter a globally competitive workforce and contribute as productive citizens.

Section 2. Beginning with the entering ninth grade class of the ____ - ____ school year, each public high school student shall be required to earn at least one-half credit in a personal finance course as a condition of high school graduation.

Section 3. Personal finance course instruction shall include, but is not limited to:

- a. Financial decision making
- b. Personal living and finance, including budgeting and household management
- c. Saving and financial investment
- d. Banking and financial services
- e. Career management and employment
- f. Loans and borrowing money
- g. Credit management

- h. Insurance
- i. Taxes
- j. Economic value of postsecondary studies, including student loans and FAFSA
- k. Retirement planning
- l. Financial goals
- m. Consumer rights and responsibilities

Section 4. The personal finance course shall be a stand-alone course, not combined with other subject matter. The course shall be at least a one-half credit course and shall be offered in Grades 10, 11, and/or 12 at each public high school.