Date of Hearing: April 20, 2022

ASSEMBLY COMMITTEE ON EDUCATION
Patrick O'Donnell, Chair
AB 2215 (Blanca Rubio) – As Amended March 24, 2022

SUBJECT: Pupil instruction: financial education: California Financial Education Public-Private Partnership

SUMMARY: Establishes a financial education public-private partnership, composed of 16 members and administered by the State Treasurer, to promote instruction in financial literacy instruction in local educational agencies (LEAs), as specified. Specifically, **this bill**:

1) Establishes a financial education public-private partnership to seek out and determine the best methods of equipping pupils with the knowledge and skills they need, before they become self-supporting, in order for them to make critical decisions regarding their personal finances.

2) Defines the components of personal financial education to include the achievement of skills and knowledge necessary to make informed judgments and effective decisions regarding earning, spending, and the management of money and credit.

3) Requires the partnership, in carrying out its task, and to the extent funds are available, to do all of the following:

   a) Communicate to LEAs the financial education topics which the Instructional Quality Commission (IQC) is requested to review at the next revision of the History Social Science curriculum framework, other important financial education skills and content knowledge, and strategies for expanding the provision and increasing the quality of financial education instruction;

   b) Review on an ongoing basis financial education curriculum that is available to LEAs, including instructional materials and programs, online instructional materials and resources, and schoolwide programs that include the important financial skills and content knowledge;

   c) Develop evaluation standards and a procedure for endorsing financial education curriculum that the partnership determines should be recommended for use by LEAs;

   d) Work with the IQC and the State Board of Education (SBE) to integrate financial education skills and content knowledge into the state learning standards;

   e) Monitor and provide guidance for professional development for educators regarding financial education, including ways that teachers at different grade levels may integrate financial skills and content knowledge into mathematics, social studies, and other course content areas;

   f) Work with the Superintendent of Public Instruction (SPI) and the Commission on Teacher Credentialing (CTC) to create professional development in financial education;

   g) Develop academic guidelines and standards-based protocols for use by classroom volunteers who participate in delivering financial education to pupils in the public schools; and

   h) Submit a report on or before January 1, 2025, and annually thereafter, to the Governor, the Treasurer, and the appropriate policy committees of the Legislature.

4) Authorizes the partnership to seek federal and private funds to support LEAs in providing access to the materials on specified financial literacy topics, as well as related professional development opportunities for certificated staff.

5) Encourages LEAs to voluntarily adopt the Jumpstart Coalition national standards in personal finance education and provide pupils with an opportunity to master the standards.

6) Establishes the partnership and specifies its composition as follows:

   a) One representative of each party caucus of the Assembly, appointed by the Speaker from among those who serve on the Assembly Education Committee, appointed for a two-year term of service and removed only for cause;

   b) One representative of each party caucus of the Senate, appointed by the Senate Pro Tempore, from among those who serve on the Senate Education Committee, appointed for a two-year term of service and removed only for cause;

   c) Four representatives from the private for-profit and nonprofit financial services sector, appointed by the Governor, including at least one representative from the Jumpstart Coalition, to be appointed for a staggered two-year term of service;

   d) Four teachers, appointed by the SPI, to be appointed for a staggered two-year term of service, with one each representing the elementary, middle, secondary, and postsecondary education sectors;

   e) A representative from the Department of Financial Protection and Innovation (DFPI), appointed for a two-year term of service by the Commissioner of Financial Protection and Innovation;

   f) Two representatives of the SPI, appointed by the SPI, with one involved in curriculum development and one involved in teacher professional development, to be appointed for a staggered two-year term of service; and

   g) The Treasurer or the Treasurer's designee.

7) Requires that the chair of the partnership be selected by the members of the partnership from among its members.

8) Prohibits a representative who is removed from the Assembly Committee on Education or the Senate Education Committee from serving on the partnership and specifies a process for replacing these representatives.

9) Authorizes representatives appointed by the Legislature to send designees to attend partnership meetings.

10) Requires that representatives appointed by the Legislature serve in purely advisory, nonvoting roles.

11) Requires that one half of the members identified in c), d), and f) above be appointed for a one-year term beginning January 1, 2024, and a two-year term thereafter. Requires that the initial members of the partnership be appointed by January 1, 2024.

12) States that to the extent funds are appropriated or are available for this purpose, the partnership may hire a staff person who resides in the Treasurer's office for administrative purposes.

13) Authorizes additional technical and logistical support to be provided by the SPI, the DFPI, the organizations composing the partnership, and other participants in the partnership.

14) Requires that travel and other expenses of members of the partnership be provided by the agency, association, or organization that member represents. Authorizes teachers appointed as members by the SPI to be paid their travel expenses from funds available in the California Financial Education Public-Private Partnership Account.

15) Authorizes payment to LEAs for substitutes for teacher members of the partnerships if attendance of teachers at an official meeting of the partnership results in a need for one from the California Financial Education Public-Private Partnership Account.

16) Requires an LEA to release a teacher member to attend an official meeting of the partnership if the partnership pays the LEA for a substitute or pays the travel expenses of the teacher member.

17) Requires, subject to funds appropriated specifically for this purpose, the Treasurer's office and the partnership to provide technical assistance and grants to support demonstration projects for adoption and implementation of the financial education learning standards under this section across LEAs.

18) Authorizes LEAs to apply on a competitive basis to participate as a demonstration project.

19) Requires the Treasurer's office and the partnership, on or before June 30, 2025, to select up to three LEAs as demonstration projects.

20) Encourages the Treasurer's office and the partnership to select a mix of urban, suburban, and rural schools.

21) Requires LEAs selected to participate in demonstration projects to comply with all of the following requirements:

    a) Adopt the Jumpstart Coalition national standards in personal finance education for kindergarten through grade 12 as the essential academic learning requirements for financial education and provide pupils with an opportunity to master the standards;

b) Make a commitment to integrate financial education into instruction at all grade levels and in all schools in the LEA;

c) Establish local partnerships within the community to promote financial education in the schools; and

d) Conduct pre-testing and post-testing of pupils' financial literacy.

22) Requires the Treasurer's office, with the advice of the partnership, to provide assistance to the demonstration projects regarding curriculum, professional development, and innovative instructional programs to implement the financial education standards.

23) Requires LEAs selected for the demonstration projects to report, on or before June 30, 2026, and annually thereafter, findings and results of the demonstration project to the Treasurer's office and the appropriate policy committees of the Legislature.

24) Requires the annual report from the partnership to include information on all of the following:

a) Results from the Jumpstart Coalition survey of personal financial literacy;

b) Progress toward statewide adoption of financial education standards by LEAs;

c) Professional development activities related to equipping teachers with the knowledge and skills to teach financial education;

d) Activities related to financial education curriculum development; and

e) Any recommendations for policies or other activities to support financial education instruction in public schools.

25) Establishes the California Financial Education Public-Private Partnership Account in the State Treasury. Authorizes funds in the account to be available upon appropriation by the Legislature to the partnership.

26) States that the purpose of the account is to support the partnership and to provide financial education opportunities for pupils and financial education professional development opportunities for the teachers providing those educational opportunities, as provided in this article.

27) States that revenues to the account may include gifts from the private sector, federal funds, and any appropriations made by the Legislature or other sources. Requires that grants and their administration be paid from the account.

28) Requires that only the Treasurer or the Treasurer's designee authorize expenditures from the account, and only at the direction of the partnership.

29) Requires, after consulting with the partnership, the SPI, in coordination with staff from the partnership, to make available to all LEAs a list of materials that align with the financial

education topics which the Instructional Quality Commission (IQC) is requested to review at the next revision of the History Social Science curriculum framework.

30) Encourages LEAs to provide all students in grades 9 to 12 the opportunity to access the financial education standards developed pursuant to a non-existent section of the Education Code, whether through a regularly scheduled class period; before or after school; during lunch periods; at library and study time; at home; via online learning opportunities; through career and technical education course equivalencies; or other opportunities.

31) Encourages LEAs to publicize the availability of financial education opportunities to students and their families.

32) Encourages LEAs to grant credit toward high school graduation to students who successfully complete financial education courses.

33) States that standards in personal finance education for kindergarten through grade 12 developed by a national coalition for personal financial literacy that includes partners from business, finance, government, academia, education, and state affiliates may be used to help gauge financial education learning standards recommended by the partnership.

34) Establishes the following definitions for purposes of this act:

   a) "Local educational agency" means a school district, county office of education, or charter school; and

   b) "The partnership" means the public-private partnership.

35) Makes implementation of the act contingent upon an appropriation of funds by the Legislature for these purposes in the annual Budget Act or another statute.

EXISTING LAW:

1) Specifies requirements for graduation from high school, including three courses in English, two courses in mathematics, two courses in science, three courses in social studies, one course in visual or performing arts or world languages, two courses in physical education, and, commencing with students graduating in the 2029-30 academic year, a one-semester course in ethnic studies.

2) Requires that, of the three courses in social studies, two must be year-long courses in United States history and geography, and in world history, culture, and geography, and that the remaining two are a one-semester course in American government and civics, and a one-semester course in economics.

3) Authorizes the governing board of a school district to require a student to complete additional coursework, beyond the courses required at the state level, in order to receive a diploma of graduation from high school.

4) Requires that, when the history-social science curriculum framework is revised after January 1, 2017, the Instructional Quality Commission (IQC) consider including content on financial

literacy at least twice in three grade spans (Kindergarten through grade 5, grades 6-8, and grades 9-12), including instruction on:

a) Fundamentals of banking for personal use, including, but not limited to, savings and checking;

b) Principles of budgeting and personal finance;

c) Employment and understanding factors that affect net income;

d) Uses and costs of credit, including the relation of debt and interest to credit;

e) Uses and costs of loans, including student loans;

f) Types and costs of insurance;

g) Forms of governmental taxation;

h) Principles of investing and building wealth;

i) Identity theft and security;

j) Planning and paying for postsecondary education; and

k) Charitable giving.

5) Requires that, concurrently with, but not prior to, the next revision of textbooks or curriculum frameworks in the social sciences, health, and mathematics curricula, the SBE ensure that these academic areas integrate components of human growth, human development, and human contribution to society, across the life course, and also financial literacy, including, but not limited to, budgeting and managing credit, student loans, consumer debt, and identity theft security.

FISCAL EFFECT: Unknown

COMMENTS:

Need for the bill. The author states, "Assembly Bill 2215 will establish a public-private partnership designed to facilitate the development and implementation of financial education standards and professional development in California's K-12 education system. Research has demonstrated that a fundamental lack of basic financial knowledge and skills exists among youth today. A lack of financial literacy can hamstring young Californians as they enter postsecondary education or professional careers. By strengthening financial literacy, students will be empowered with the necessary skills to navigate adulthood, budget scarce resources and help combat socio-economic disparities."

American adults aren't great at managing their money. Does high school financial literacy instruction make a difference? Numerous sources of data suggest that many American adults lack the understanding needed to make sound financial decisions (Milken Institute, 2021) and that adult financial knowledge is related to their financial behavior (Hilgert, 2003). Survey data also show that high school students have poor understanding of personal finance, with students from families with greater financial resources substantially more financially literate than those from families that are less well-off. (Mandell, 2008).

Financial literacy is viewed as particularly important given the current complexity of financial products and services, and the increased responsibility of individuals for their own financial security, after the deregulation of the financial services industry. (Greenspan, 2005)

Over the years, authors of numerous bills before the Committee have used these findings to propose increasing financial literacy instruction in high school as a solution to this problem. They have argued that financial literacy instruction in high school will improve financial knowledge and consequently improve financial behavior and well-being in adulthood.

However, research on the relationship between high school financial literacy instruction and financial knowledge and behavior after high school is decidedly mixed. Some of the available evidence includes the following findings:

- One study found that after several years, students who took a financial literacy course were no more financially literate than those who did not. Young adults who took the course did not consider themselves to be more savings-oriented, and did not report better financial behavior, than those who did not take the course. (Mandell, 2009)

- One study found short-term (3 month) benefits in financial knowledge, behavior, and self-efficacy after studying a financial literacy curriculum (Danes, 1999)

- One report on the results of a popular financial literacy curriculum found that students who had taken a high school class in personal finance or money management were no more financially literate than those who had not. (Mandell, 2006).

- One study found that financial education mandates reduced the likelihood and frequency of the use of payday loans (Harvey, 2019).

- One study found that financial literacy mandates do not significantly affect saving behavior. (Cole, 2008)

- One study found increased credit scores and decreased delinquencies among students subject to a financial literacy course requirement. (Urban, 2018)

- Research published as a TIAA brief found no definitive increases in account ownership, non-retirement investment accounts, or homeownership among students who took a financial literacy course. (Harvey, 2022)

- One study found increases in aid applications and federal loans and a decrease in private loans and the likelihood of holding credit card balances among students who had experienced financial literacy instruction. (Stoddard, 2020)

- One study found that financial literacy education decreases reliance on nonstudent debt and improves repayment behavior, but that these effects tend to fade out with age. (Brown, 2016)

One author concludes that, "We have long noted with dismay that students who take a high school course in personal finance tend to do no better on our exam than those who do not. This finding has been a great disappointment to consumer educators and to those who support efforts to make courses in personal finance a requirement for high school graduation, and it points to the need for better materials and teacher training." (Mandell, 2006).

Who develops curriculum for California public schools? This bill establishes an initiative, housed at the State Treasurer's office, to, among other responsibilities, review curriculum and instructional materials and develop evaluation standards and a procedure for endorsing financial education curricula for use by LEAs.

In California, the development and adoption of curriculum is the responsibility of the IQC and the SBE, through an extensive, open, public process and with the input of educators, subject matter and instructional experts, and the public. This process is designed to take into consideration the scope and sequence of each subject in each grade, developmental appropriateness, evolving evidence about effective instructional practice, and the constraints of the school day and year, among other factors. ***The Committee may wish to consider*** that vesting responsibility for curriculum in another state agency risks misalignment with the current content standards, curriculum frameworks, and adopted instructional materials.

State should not endorse privately developed standards in statute. This bill would encourage LEAs to adopt a privately developed set of standards for use in providing financial literacy education. It also requires that one member of the partnership represent the organization which published those standards.

As indicated on the CDE website, there are a number of curricula and other resources LEAs can use in providing financial literacy instruction. There is also content in the current History-Social Science Framework adopted by the SBE which LEAs can use.

In the past, when the state has adopted or revised content standards for which there were national standards (in English language arts, mathematics, visual and performing arts, and world languages) it has undertaken a thorough, public review of those standards in relation to the current state curriculum before incorporating some of this content in the California curriculum. ***The Committee may wish to consider that*** it is not appropriate for the state to endorse a set of privately developed content standards.

Financial literacy instruction already required in California curriculum. The state's new History-Social Science Framework, adopted in July, 2016, contains financial literacy content in at least the following grades:

- Grade 1: Students acquire a beginning understanding of economics, including how people exchange money for goods and services, and how people make choices about how to spend money, including budgeting.

- Grade 2: Students learn basic economic concepts of human wants, scarcity, and choice; the importance of specialization in work today. Students also develop an understanding of their roles as consumers in a complex economy.

- Grade 9: (elective course in financial literacy): Students learn about credit cards and other forms of consumer debt, savings and budgeting, retirement planning, state and federal laws related to personal finance (e.g., bankruptcy), financial credit scores, credit card applications, bank account applications, simple and compound interest calculations, retirement calculations, and mortgage and interest rates. Students also learn about the importance of managing credit and debt, and identity theft security.

- High school economics course required for graduation: Students learn about personal budgeting, banking, debt, credit cards, interest, student loan debt, mortgage debt, saving, and investing. This content is presented in relation to larger economic issues and concepts. The Framework also emphasizes the ability of personal finance concepts to be taught through the required economics course, noting: "budgeting can be taught as an example of scarcity; job applications can be taught as examples of human capital inventories; student loans can be taught as an investment in developing human capital; use of credit cards can be taught to explain the opportunity cost of interest and repayment; and interest on credit can be taught as an example of price determination through supply and demand."

Pursuant to current law, the next revision of the framework will include additional financial literacy content. The next adoption of this framework is scheduled to occur in 2024.

Financial literacy content included in required economics course. As noted above, the state's new History-Social Science framework includes a significant amount of personal finance content in the course outline for the required economics course, and encourages the use of personal finance concepts to help students learn about macroeconomic principles.

The following examples from the economics course outline provide examples of how personal finance content is integrated into the course:

- "Teachers might begin by telling students they will be assigned a unique (and imagined by the teacher) economic identity: this identity initially consists of a monthly salary, a list of bills, and a checkbook or an online system of sending and receiving money. Starting with their monthly salary, students are directed to determine their take home pay by subtracting federal and state taxes."

- "Next, students must pay their bills. Bills consist of a pre-determined amount for these categories: rent/mortgage, utilities, cell phone, student loan payment, car payment, car insurance. Once bills are paid, students allocate money for the remainder of the month. They can choose whether or how much to save; how much to devote to food, gas, and other staples; and how to use any discretionary money left over. Once students have divided their resources for a month, they should take a step back and look at their larger budgets, perhaps using budgeting tools online, making charts or graphs to understand how and where they spend money."

- With a budget in hand, students can begin to learn about different kinds of debt and different kinds of ways of accumulating personal wealth. Starting with debt, teachers provide students with an overview of what a credit card is, how interest gets calculated, what compound interest consists of, and how credit card debt affects individuals in the marketplace. Students can calculate credit card payments and factor that into their contrived economic identities for practice. In addition, teachers can provide similar overviews of student loan debt and mortgage debt."

- "Students should also learn about different options of saving money. While teachers will go into more depth later in the semester about marketplace investments (in which students can learn to "play" the stock market, for example), students can learn now about different options for saving their resources from their above-described budgets."

- "By learning about personal finance from this individual perspective, students will now learn about how international markets are interrelated and how they affect their own finances and economic opportunities. At the more local level immediate relevance can be achieved by discussing city and/or county budgets (i.e., revenues and expenditures), payday loans, rent-a-centers, and even chambers of commerce."

- "Studying these topics now will help students when they become adults, and must confront decisions about household budgets, student loans, credit cards, mortgages, and savings and investment strategies. Just as students began this course learning about personal finance, the concepts can be woven throughout the course, applying the economic ideas and analytical tools mentioned above to other sectors of the economy."

Arguments in support. The California Credit Union League (CCUL) writes, "CCUL believes that students who frequently receive financial education early on will be provided with the framework for a successful adulthood. AB 2215 embodies this goal by seeking to increase the financial literacy of the next generation of Californians in an equitable and systemic way. California's youth will reap the educational benefits of AB 2215 by gaining a lifetime of valuable skills with a better understanding of their personal finances."

Recommended Committee amendments. Staff recommends that the bill be amended to replace its current contents with a requirement that the CDE to develop resources for instruction in financial literacy, as specified.

Related legislation. AB 2051 (Cunningham) of the 2021-22 Session would establish a program, administered by the CDE, to provide grants to LEAs to implement financial literacy instruction.

AB 639 (Cunningham) of the 2021-22 Session would have authorized school districts and charter schools, commencing with the 2022–23 school year, to incorporate a financial literacy program into an economics course required for graduation. This bill was held in the Assembly Education Committee.

AB 2187 (Cunningham) of the 2019-20 Session would have authorized school districts and charter schools, commencing with the 2022–23 school year, to incorporate a financial literacy program into an economics course required for graduation. This bill was held in the Assembly Education Committee.

AB 1087 (Cunningham) of the 2019-20 Session would have established the California Financial Literacy Initiative, for the purpose of improving the availability of instructional materials and programs to help students understand how to manage their finances and protect their financial privacy. This bill was held in the Assembly Appropriations Committee.

SB 83 (Stone) of the 2017-18 Session would have required the development of a model curriculum for an elective course in financial literacy for pupils in grades 9 to 12. This bill was held in the Assembly Appropriations Committee.

AB 858 (Dababneh) of the 2017-18 Session would have established the California Financial Literacy Initiative, for the purpose of improving the availability of instructional materials and programs to help students understand how to manage their finances and protect their financial privacy. This bill was vetoed by Governor Brown, who stated:

> This bill is unnecessary. The History-Social Science Framework already contains financial literacy content for pupils in kindergarten through grade 12, as well as a financial literacy elective. In addition, the California Department of Education maintains a Web page with financial literacy resources for pupils in kindergarten through grade 12.

AB 2546 (Calderon), Chapter 616, Statutes of 2016, requires that, when the History-Social Science Curriculum Framework is revised after January 1, 2017, the IQC consider including specified content on financial literacy at least twice in three grade spans.

SB 1296 (Liu) of the 2015-16 Session would have required “consumer and homemaking education” to include financial literacy instruction on subjects including, but not limited to, student loans, credit cards, and investment and retirement accounts. This bill was held in the Senate Education Committee.

AB 166 (Hernández), Chapter 135, Statutes of 2013, requires that, concurrently with, but not prior to, the next revision of textbooks or curriculum frameworks in the social sciences, health, and mathematics curricula, the SBE ensure that these academic areas integrate components of human growth, human development, and human contribution to society, across the life course, and also financial literacy, including, but not limited to, budgeting and managing credit, student loans, consumer debt, and identity theft security.

AB 391 (Wieckowski) of the 2013-14 Session proposed the Common Cents Curriculum Act of 2013, requiring the SPI and SBE to adopt a one semester course in consumer education, include specified areas of content related to financial literacy, and encouraged financial literacy instruction to be included in the next revision of the history-social science frameworks. This bill was held in the Assembly Appropriations Committee.

SB 1080 (Lieu) of the 2011-12 Session would have authorized instruction provided in economics to include personal finances, including budgeting, savings, credit, and identity theft. The bill would have required the CDE to develop a personal finance curriculum in the next cycle in which the mathematics and History-Social Science Curriculum Framework were to be adopted. This bill was held in the Assembly Judiciary Committee.

SB 696 (Lieu) of the 2011-12 Session would have encouraged the instruction provided in economics to include instruction related to the understanding of personal finances, including budgeting, savings, credit, and identity theft. This bill was not heard in any committee.

SB 1080 (Lieu) of the 2011-12 Session would have authorized instruction provided in economics to include personal finances, including, but not limited to, mathematics, budgeting, savings, credit, and identity theft. The bill would have required the CDE to develop a personal finance curriculum in the next cycle in which the mathematics and History-Social Science Curriculum Framework were to be adopted. This measure was not heard by this committee and was held in the Assembly Judiciary Committee.

SB 779 (Lieu) of the 2011-12 Session would have authorized a school district, as part of providing economics instruction in grades 7-12, to include personal finances, including, but not limited to, budget savings, credit, and identify theft. This bill would have also required the CDE to consider developing a personal finance curriculum in the next cycle in which the history/social science curriculum framework would have been adopted. This bill was held in the Assembly Appropriations Committee.

SB 223 (Wyland) of the 2009-10 Session would have required that one-half of the economics course required for high school graduation focus on personal finance and financial literacy. This measure was held in the Assembly Appropriations Committee.

AB 1502 (Lieu) of the 2007-08 Session would have required the SBE and the Curriculum Development and Supplemental Materials Commission (now the IQC) to ensure that information about financial literacy be included in appropriate subject area frameworks, encouraged school districts to include instruction in personal finance, as specified in economics, and authorized the SPI to accept private donations for the purposes of implementing these provisions. This measure was vetoed by Governor Schwarzenegger, who stated:

> While I acknowledge that teaching students the importance of financial literacy is meritorious, school districts already have the flexibility to incorporate money management into their lesson plans. Moreover, the State Board of Education adopted content standards are developed by a diverse group of experts and are intentionally broad in order to allow coverage of various events, developments, and issues. I continue to believe that the State should establish rigorous academic standards and frameworks, but refrain from being overly prescriptive in specific school curriculum.

AB 150 (Lieu) of the 2007-08 Session would have established the California Financial Literacy Initiative (Initiative), for the purpose of improving the availability of instructional materials and programs to help students understand how to manage their finances and protect their financial privacy, and would have authorized financial institutions to collect information about students who use online curricula which the institutions develop and which are endorsed by the Initiative. That bill was vetoed by Governor Schwarzenegger, who stated:

> Teaching students the principles of money management is a worthy goal. However, this bill would merely authorize the Superintendent of Public Instruction (SPI) to convene an advisory committee and make financial literacy resources and materials that are grade-level appropriate available online. Superintendent O'Connell already has the authority to do these things, if he so chooses. In addition, many financial institutions and services providers

> already provide an abundance of information on financial literacy that is readily available on the Internet.

AB 1950 (Lieu) of the 2005-06 Session would have authorized school districts to provide instruction in personal finances in economics courses. This measure was vetoed by the Governor, who stated:

> I vetoed a substantially similar bill, AB 2435 (Wiggins, 2004). As I previously stated, the bill is unnecessary because school districts already have the authority to teach budgeting, savings, and credit, under current law. Thus, my veto message remains applicable.

AB 2435 (Wiggins) of the 2003-04 Session authorized school districts to include instruction related to the understanding of personal finances in economics courses. This measure was vetoed by the Governor, who stated:

> Allowing school districts to teach middle school and high school students about the importance of properly maintaining their personal finances is a worthy objective. However, this bill is unnecessary because school districts already have the authority to teach "budgeting, savings, and credit," under current law. Although I am unable to support this legislation, I agree with the importance of learning to spend wisely and properly managing finances. Learning to balance a checkbook, saving money for a rainy day, and understanding the dangers of too much credit card debt are all vital skills for kids to learn in order to become responsible adults. While teaching financial responsibility is important for our children, I would welcome future legislation that requires all members of the State Legislature to complete a course in financial management and responsibility. Requiring legislators to take a refresher course on managing finances may be the wisest investment the State could ever make. California may never have found itself in the deep fiscal crisis that it has had to endure, if such a requirement were signed into law earlier. One of the best lessons we can offer to our children, is to practice sound financial principles, and I believe the Legislature should begin teaching kids by example.

REGISTERED SUPPORT / OPPOSITION:

Support

California State Treasurer (co-sponsor)
CalCPA
California Community Banking Network
California Council for the Social Studies
California Council on Economic Education
California Credit Union League
California Society of Certified Public Accountants
Chino Commercial Bank
Los Angeles County Office of Education
Pockets Change
One individual

Opposition

None on file

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