

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1115 High School Graduation Requirements in Personal Finance

SPONSOR(S): Busatta Cabrera and others

TIED BILLS: None **IDEN./SIM. BILLS:** SB 1054

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Secondary Education & Career Development Subcommittee	15 Y, 0 N	Aaronson	Sanchez
2) PreK-12 Appropriations Subcommittee	14 Y, 0 N	Bailey	Potvin
3) Education & Employment Committee			

SUMMARY ANALYSIS

Current law establishes the courses and credits required for a student to receive a standard high school diploma. Prior to 2019, financial literacy instruction was integrated into the Next Generation Sunshine State Standards and required to receive a standard high school diploma. Currently, school districts are required to offer a financial literacy course consisting of at least one-half credit as an elective, however it is not a graduation requirement.

The bill establishes financial literacy standards within the Next Generation Sunshine State Standards beginning in the 2022-2023 school year and thereafter.

The bill requires that beginning with students entering Grade 9 in the 2022-2023 school year, students must earn one-half credit in personal financial literacy and money management in order to receive a standard high school diploma. Accordingly, the bill reduces the current number of elective credits required to earn a standard high school diploma from eight to seven and one-half for students entering Grade 9 in the 2022-2023 school year and thereafter. The bill maintains the total number of credits at 24, which students must successfully complete to earn a standard high school diploma.

The bill removes the substitution option for work-based learning program credits of one-half credit in financial literacy for students completing the Career and Technical Education Graduation Pathway option to earning a high school diploma.

The fiscal impact of the bill is indeterminate. See Fiscal Comments.

The bill provides an effective date of July 1, 2022.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Standard High School Diploma Requirements

Florida law establishes the courses and credits required for a student to receive a standard high school diploma. A student must successfully complete 24 credits in core-curricula and extracurricular courses with a 2.0 or higher cumulative grade point average¹ with limited exceptions.² One of the courses within the 24 credits must be completed online.³

A student must successfully complete 24 credits in the following subject areas:

- Four credits in English Language Arts (ELA) I, II, III, and IV.
- Four credits in mathematics, including one in Algebra I and one in Geometry.
- Three credits in science, two of which must have a laboratory component and one of which must include Biology I.
- Three credits in social studies including one credit in United States History, one credit in World History, one-half credit in economics, and one-half credit in United States Government.
- One credit in fine or performing arts, speech and debate, or practical arts.
- One credit in physical education which includes the integration of health.
- Eight credits in electives. School districts are required to develop and offer coordinated electives to enable a student to develop knowledge and skills in his or her area of interest and such electives must include opportunities for students to earn college credit.⁴

Career and Technical Education Graduation Pathway Option

Students may also earn a standard high school diploma through the Career and Technical Education pathway.⁵ Students are required to complete at least 18 credits meeting the following requirements:

- Four credits in English Language Arts (ELA) I, II, III, and IV;
- Four credits in mathematics, including one in Algebra I and one in Geometry;
- Three credits in science, two of which must have a laboratory component and one which must include Biology I;
- Three credits in social studies including one credit in United States History, one credit in World History, one-half credit in economics, and one-half credit in United States Government;
- Two credits in career and technical education courses, resulting in a program completion and industry certification; and
- Two credits in work-based learning programs.⁶

A student may substitute up to two credits of electives, including one-half credit in financial literacy, for work-based learning program courses to fulfill the work-based learning program requirements.⁷ All credits required for graduation include courses that are identified by content-area experts as aligning with Florida's Next Generation Sunshine State Standards for that subject.⁸

¹ Section 1003.4282(6)(a), F.S.

² Section 1002.3105(5), F.S. A student may graduate with a minimum of 18 credit hours through the Academically Challenging Curriculum to Enhance Learning option if the student meets core course credit, assessment, and GPA requirements and completes three electives.

³ Section 1003.4282(4), F.S.

⁴ Section 1003.4282(3)(a)-(g), F.S.

⁵ Section 1003.4282(10), F.S.

⁶ Florida Department of Education, *CTE Pathway Option for a Standard High School Diploma*, <https://www.fldoe.org/academics/career-adult-edu/career-tech-edu/pathways-option.stml> (last visited Jan. 11, 2022).

⁷ Section 1003.4282(10)(a)3., F.S.

⁸ Section 1003.4282(1)(b), F.S.

Next Generation Sunshine State Standards

The Next Generation Sunshine State Standards (NGSSS) establish the core content of the curriculum to be taught in Florida kindergarten through grade 12 public schools. The standards must be rigorous and relevant to incrementally increase a student's core content knowledge and skills over time. The curricular content must integrate critical-thinking, problem-solving, and workforce-literacy skills; communication, reading, and writing skills; mathematics skills; collaboration skills; contextual and applied-learning skills; technology-literacy skills; information and media-literacy skills; and civic-engagement skills. The standards applicable to students in grades 9 through 12 may be organized by grade clusters that include more than one grade level except as otherwise provided for visual and performing arts, health and physical education, and foreign language standards.⁹

The State Board of Education is responsible for adopting the NGSSS and subsequent revisions to such standards.¹⁰ Currently, the NGSSS must meet the following requirements:

- English and Language Arts must establish specific curricular content for reading, writing, speaking and listening, and language.
- Science must establish specific curricular content for the nature of science, earth and space science, physical science, and life science.
- Mathematics must establish specific curricular content for algebra, geometry, statistics and probability, number and quantity, functions, and modeling.
- Social Studies must establish specific curricular content for geography, United States and world history, government, civics, humanities, economics, and financial literacy.
- Visual and performing arts, physical education, health, and foreign language must establish specific curricular content and include distinct grade level expectations for the core content knowledge and skills that a student is expected to have acquired by each individual grade level from kindergarten through grade 5. The standards for grades 6 through 12 may be organized by grade clusters of more than one grade level.¹¹

Financial Literacy in Florida Schools

Prior to 2019, financial literacy instruction was integrated into the NGSSS Social Studies standards and required a one-half credit in economics to receive a standard high school diploma.¹² Financial literacy instruction included information regarding:

- Earning income;
- Buying goods and services;
- Saving and financial investing;
- Taxes;
- The use of credit and credit cards;
- Budgeting and debt management, including student loans and secured loans;
- Banking and financial services;
- Planning for one's financial future, including higher education and career planning;
- Credit reports and scores; and
- Fraud and identity theft prevention.¹³

All school districts are currently required to offer a financial literacy course consisting of at least one-half credit as an elective; however, it is not a graduation requirement.¹⁴ The 2021-2022 Course Code

⁹ Section 1003.41(1), F.S.

¹⁰ Section 1003.41(3)-(4), F.S. Standards are reviewed by educators, school administrators, representatives of Florida college institutions and universities, business and industry leaders, and the public. The Commissioner of Education must develop and submit revisions to the NGSSS as needed.

¹¹ Section 1003.41(2), F.S.

¹² Section 1003.41(2)(d), F.S. (2018) repealed s. 12 and 14, ch. 2019-119, L.O.F.

¹³ *Id.*

¹⁴ 1003.4282(8), F.S.

Directory¹⁵ lists 4 one-half credit courses in economics with financial literacy, and 2 one-half credit courses in personal financial literacy.

Effect of Proposed Changes

The bill designates the act as the “Dorothy L. Hukill Financial Literacy Act.”

The bill establishes financial literacy standards within the NGSSS beginning in the 2022-2023 school year and thereafter. Financial literacy standards must, at a minimum, establish personal financial literacy and money management.

The bill requires that, beginning with students entering grade 9 in the 2022-2023 school year, students must earn one-half credit in personal financial literacy and money management in order to receive a standard high school diploma.

The bill specifies financial literacy course instruction to include:

- Types of bank accounts offered, opening and managing a bank account, and assessing the quality of a depository institution’s services;
- Balancing a checkbook;
- Basic principles of money management, such as spending, credit, credit scores, and managing debt, including retail and credit card debt;
- Completing a loan application;
- Receiving an inheritance and related implications;
- Basic principles of personal insurance policies;
- Computing federal income taxes;
- Local tax assessments;
- Computing interest rates by various mechanisms;
- Simple contracts;
- Contesting an incorrect billing statement;
- Types of savings and investments; and
- State and federal laws concerning finance.

The bill also reduces the current number of elective credits required to earn a standard high school diploma from eight to seven and one-half for students entering grade 9 in the 2022-2023 school year and thereafter. The bill maintains the total number of credits at 24, which students must successfully complete to earn a standard high school diploma.

The bill removes the substitution option for work-based learning program credits of one-half credit in financial literacy for students completing the Career and Technical Education Graduation Pathway option to earning a high school diploma.

B. SECTION DIRECTORY:

Section 1: Providing a short title.

Section 2: Amends s. 1003.41, F.S.; revising the requirements for the Next Generation Sunshine State Standards to include financial literacy.

Section 3: Amends s.1003.4282, F.S.; revising the required credits for a standard high school diploma to include one-half credit of instruction in personal financial literacy and money management and seven and one-half, rather than eight, credits in electives; authorizing certain students to earn one-half credit in personal financial literacy and money management as an elective; providing requirements for such instruction; conforming provisions to changes made by the act.

¹⁵ The Course Code Directory lists all public PreK-12 and postsecondary career and technical education courses that are available for use by schooldistricts. Rule 6A-1.09441, F.A.C.

Section 4: Provides an effective date of July 1, 2022.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

There may be an impact to school districts to create and incorporate a half-credit financial literacy course that would be required for high school students who enter grade 9 beginning with the 2022-2023 school year; however, this impact is indeterminate.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Not Applicable.