
TESTIMONY

Testimony To: Senate Committee on Education

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Subject: **H.228 Financial Literacy**

Date: April 5, 2023

Thank you for the opportunity to provide testimony on the topic of H.228 Financial Literacy.

Introduction

Bill Review

H. 228 proposes the addition of 16 V.S.A. § 914 Financial Literacy that would:

- require students in Vermont public schools to complete a course on personal finance as a condition of being awarded a high school diploma;
- require the State Board of Education to adopt standards for student performance in the content area of financial literacy; and
- require the State Board of Education to supervise the implementation of the required financial literacy course.

AOE Position Summary

The AOE does not support the proposed bill and a required course in Personal Finance as a graduation requirement. The State requirement of a specific class in order to graduate to be implemented July 1, 2023 would be highly disruptive, divergent from current education regulation, responsibilities, and delivery systems, and thus incredibly destabilizing to the public education system.

Background

Current Statutory/Regulatory Context

16 V.S.A. §906 outlines the minimum course of study that schools must provide instruction in, and informs State Board of Education (SBE) state-



adopted standards and Education Quality Standards (EQS) Rule Series 2000. Both Vermont [Title 16](#) and the [Education Quality Standards](#) require annual K-12 mathematics and social studies education for Vermont students.

State Board of Education Rules – Education Quality Standards

The purpose of these rules is to ensure that all students in Vermont public schools are afforded educational opportunities that are substantially equal in quality and enable them to achieve or exceed the standards approved by the State Board of Education. These rules are designed to ensure continuous improvement in student performance, instruction and leadership to enable students to attain rigorous standards in high-quality programs. Nothing herein shall be construed to entitle any student to educational programs or services identical to those received by other students in the same or different school districts. Further, nothing herein shall create a private right of action. These rules are in addition to and, unless otherwise specifically stated, do not supersede other rules contained in the Vermont State Board of Education Manual of Rules and Practices.

2111 Adoption of Performance Standards

Pursuant to 16 V.S.A. §164(9), the State Board of Education will implement and periodically update standards for student learning in appropriate content areas from kindergarten to grade 12. Supervisory union boards shall use the standards as the basis for the development and selection of curriculum, methods of instruction, locally developed assessments, and the content and skills taught and learned in school.

2120.5. Curriculum Content. Each supervisory union board shall ensure the written and delivered curriculum within their supervisory union is aligned with the standards approved by the State Board of Education.

...b. **mathematical** content and practices;

...d. **global citizenship** (including the concepts of civics, **economics**, geography, world language, cultural studies and history) [...]

2120.6. Curriculum Coordination. As required in 16 V.S.A. §261a(a)(1), the board of each supervisory union shall ensure that each school implements the supervisory union's written and delivered curriculum [...]

2120.7. Graduation Requirements. [...] requirements specified by the local board of the school attended by the student.

2120.8. Local Graduation Requirements. Each secondary school board is responsible for setting graduation requirements in accordance with these rules. Local graduation policy must

define proficiency-based graduation requirements based on standards adopted by the State Board of Education

State Board Adopted Learning Standards

Vermont has adopted a variety of learning standards including:

- Common Core State Standards (CCSS) for [English Language Arts](#) and [Mathematics](#),
- [Next Generation Science Standards \(NGSS\)](#),
- [SHAPE America Physical Education Standards](#),
- [National Health Education Standards](#),
- [College, Career and Civic Life \(C3\) Framework for Social Studies State Standards](#),
- [ACTFL World Languages Standards](#)
- [National Core Arts Standards \(NCAS\)](#),
- [Jump\\$tart Standards in K-12 Personal Finance Education](#)
- [International Standards for Technology Education \(ISTE\) Technology Standards](#)
- [Vermont Early Learning Standards \(VELS\)](#)

The AOE supports the teaching and learning of financial literacy concepts, and identified that the 2017-adopted [College, Career, and Civic Life \(C3\) Framework for Social Studies State Standards](#) did not provide robust financial literacy performance indicators within the Economics domain. For this reason, the AOE requested to survey the field and brought forth the preferred [Jump\\$tart National Standards for Personal Finance Education](#) (Jump\$tart) standards for adoption.

- Most educators surveyed (75%) reported that it was important to have the opportunity for the standards to be taught within multiple content areas.
- Fifty-four percent of the field responded that students attain personal finance proficiency in either math or social studies; fifty-four percent also responded that proficiencies are attained through a Flexible Pathway ([Act 77](#)).

In 2018, the Vermont State Board of Education adopted the Jump\$tart standards with the understanding that the teaching and learning of personal finance could happen within multiple content areas (family and consumer science, social studies, math, business), as well as within a stand-alone personal finance class; see AOE-developed document identifying connections: [Jump\\$tart National Standards for K-12 Personal Finance Education – Vermont-Adopted National Standards Crosswalk](#).

- These standards reflect and support the multidisciplinary nature of personal finance, as they support a number of academic areas while enhancing real-world transferable skills.

Multiple opportunities for cross-content instruction have been provided K-12 on the AOE's [Financial Literacy](#) web page, so as to not overburden SU/SDs or educators.

AOE Leadership, Support, and Implementation Efforts

Personal finance learning can be taught K-12 as evidenced by the work done by educators over a two-year collaborative project between the AOE and the Center for Financial Literacy at Champlain College (see Financial Literacy Jump\$tart Alignment to Curriculum on the [Vermont AOE Financial Literacy](#) webpage).

- Sixteen K-12 educators and special educators collaborated during this project to identify personal finance connections to Vermont adopted standards, resources, lesson plans, and literacy connections.
- The project culminated in professional development sessions, comprised of six modules, completed by nearly 300 elementary, middle, and high school educators.

The [Crosswalk of 2021 Course Enrollment with Financial Literacy Concepts](#) identifies current courses that would enable the Jump\$tart standards to be authentically integrated within K-12 teaching and learning.

- A scan of SECT data from FY21 identifies multiple course offerings for financial literacy content/concepts integration, such as Consumer Math (2862 students), Workplace Experience (1082 students), Family and Consumer Science (796 students), and various Economics classes (1434 students).

Financial literacy concepts are introduced as early as PreK within the [Vermont Early Learning Standards](#). Older preschoolers tackle concepts such as:

1. Describe how people interact economically (e.g., use money to purchase things or services)
2. Describe roles and responsibilities of several occupations, especially those the child is familiar with (e.g., dentist, janitor, farmer)
3. Identify basic needs people have (e.g., food, clothing)

The AOE is developing a **Financial Literacy module for Career and Technical Education Pre-Tech Exploratory (PTE) instructors**. This training is in collaboration with Community College of Vermont to make the Intro to College and Careers course - a model for the PTE courses. As an example, in the Financial Literacy unit students will explore personal finance including debt, credit, budgeting, and planning for future income and expenses:

- Develop a personal budget that accounts for employment goals and educational expenses in alignment to desired lifestyle;
- Compare different financial institutions, accounts, fees and services;

- Describe debt, interest, and investing with a focus on the power of time.

The AOE is collaborating with [Vermont JumpStart Coalition](#) to plan the Annual Conference for October 2023, after a three-year hiatus. The conference allows educators the opportunity to network and resource share with educators and personal finance professionals.

C3 Teaching and Learning Framework - AOE is developing an 8th grade scope and sequence entitled Civics and Economics in Action where students will have the opportunity to develop their civic and economic skills as they are academically engaged in real-world inquiry-based learning. This 8th grade focus is part of a larger C3 Teaching and Learning Framework that will be supported by professional development from the AOE.

A Vermont Portrait of a Graduate (PoG) was collaboratively developed to be used as a tool for reviewing and refining local proficiency-based graduation requirements, as a guide for making instructional decisions, and communicating the skills and dispositions of a career/college ready student. The PoG specifies the cognitive, personal, and interpersonal skills and abilities that students should be able to demonstrate upon graduation considering six attributes: learner agency, global citizenship, academic proficiency, communication, critical thinking, and well-being, including financial literacy.

- The [Social Studies Portrait of a Graduate](#) links to the content, skills and attributes developed within the social studies and how they fit into the six attributes of the Vermont Portrait of a Graduate. The Well-being attribute identifies that students will understand their role as independent adult consumers, fully prepared to make wise financial decisions with regard to earning, spending, and saving, as well as managing credit, debt, risk and investment for a lifetime of economic security.
- [The Portrait of a Graduate as a Function of Math](#) connects conceptual understandings with procedural fluency positions as a student builds confidence in their ability to know and do math. Students that can navigate economic situations -- personal, local and global -- and engage in responsible mathematic decision-making show their competence with mathematics and financial literacy, which in turn can result in improved outcomes such as financial independence.

AOE Observations and Recommendations

Concerns and Conflicts

Students in Vermont public schools shall, as a condition of being awarded a high school diploma, complete a semester-long personal finance course in the student's 11th or 12th grade. Each supervisory union shall determine in which grade the course is required.

- The phrase *as a condition of being awarded a high school diploma*, suggests conflicts with State Board Rules 2120.7 and 2120.8 as the “condition” indicates a requirement for graduation:
 - **2120.7. Graduation Requirements.** [...] requirements specified by the local board of the school attended by the student.
 - **2120.8. Local Graduation Requirements.** Each secondary school board is responsible for setting graduation requirements in accordance with these rules. Local graduation policy must define proficiency-based graduation requirements based on standards adopted by the State Board of Education
- The phrase *complete a semester-long personal finance course in the student's 11th or 12th grade*, creates potential conflict with
 - **2120.5. Curriculum Content.** Each supervisory union board shall ensure the written and delivered curriculum within their supervisory union is aligned with the standards approved by the State Board of Education [...] Each school shall enable students to engage annually in rigorous, relevant and comprehensive learning opportunities that allows them to demonstrate proficiency in [...] b. mathematical content and practices (including numbers, operations, and the concepts of algebra and geometry by the end of grade 10); [...] d. global citizenship (including the concepts of civics, economics, geography, world language, cultural studies and history);
 - **2120.6. Curriculum Coordination.** As required in 16 V.S.A. §261a(a)(1), the board of each supervisory union shall ensure that each school implements the supervisory union's written and delivered curriculum [...] aligned with the standards approved by the State Board of Education; coordinated across all grades to prepare students for graduation; coordinated across the supervisory union, including sending high schools and technical centers; [...] designed to enable all students to achieve the graduation requirements; [...]
 - **2120.8. Local Graduation Requirements.** Each secondary school board is responsible for setting graduation requirements in accordance with these rules. Local graduation policy must define proficiency-based graduation requirements based on standards adopted by the State Board of Education [...] Schools may or may not use credits for the purposes of demonstrating that a student has met the graduation requirements. When used, credits must specify the proficiencies demonstrated in order to attain a credit and shall not be based on time spent in

learning. Further, students may receive credit for learning that takes place outside of the school, the school day, or the classroom.

- **As written, this required stand-alone class to be completed during these specific grade levels creates the potential for significant inequities for students, including their ability to graduate on time.**

(1) Standards. The Board of Education shall adopt and continually update standards for student performance in the content area of financial literacy, which shall include the following personal finance concepts [...]

- **All content items A-M listed in (1) Standards of H. 288 would fall under the content indicators in the state-adopted Jump\$tart National Standards for Personal Finance Education: Spending and Saving, Credit and Debt, Employment and Income, Investing, Risk and Insurance, and Financial Decision Making.**

Course development and maintenance. The State Board shall supervise the implementation of the required financial literacy course, including: (A) identifying the certifications and credentials required to teach the required personal finance course; (B) with input from educators in the field, preparing and maintaining a list of approved core curriculum providers and supplementary curriculum providers; (C) preparing and maintaining a list of professional development providers to support educators in the implementation of the required financial literacy course; and (D) determining how the required financial literacy course shall be incorporated into state graduation requirements.

- **As written it is unclear who is responsible for developing and maintaining “the course.”** There is no language in the current draft that there will be **one** personal finance course. Nor is there language to specify who is responsible for developing the course. The SBE is identified as supervising implementation of the course, maintaining a list of curriculum “providers” (vendors?) and professional development providers, and determining how the “course” will be integrated into graduation requirements.
- As written, the role of the SBE in *identifying the certifications and credentials required to teach the required personal finance course* **could suggest an alternate process to what currently exists in rule:**
 - **2121.2. Staff.** *Each school shall employ instructional and administrative staff members who possess the knowledge and skills to implement the standards in alignment with **professional educator standards established by the Vermont Standards Board for Professional Educators.***

- What would be the rationale for creating an alternative process?
- **The SBE’s role in “vetting” or “sponsoring” providers or vendors of curriculum and professional learning should be clarified** within the context of Conflict of Interest (COI) considerations based on current relationships/partnerships with specific entities (e.g., NextGen Personal Finance (NGPF)) and standard state practices such as a Request for Information (RFI).

For the SBE to *determine[e]* how the required financial literacy course shall be incorporated into state graduation requirements, the following clarifications would be necessary regarding the current draft which proposes the addition of 16 V.S.A. § 914 Financial Literacy.

- As a result of bypassing 16 V.S.A. §906, which outlines the minimum course of study which informs the adoption of state learning standards, it is unclear why “the course” would be required if it is NOT included in the minimum course of study (which reflects content areas).
- It also creates potential conflict and confusion with current content articulated in the minimum course of study (that informs and aligns with the current state-adopted personal finance learning standards).
- Finally, as reflected above, identifying a “course” as a graduation requirement mandated by the State conflicts with current board rules 2120.7 and 2120.8 and would require re-opening this rules series to revise the current rules or add a new rule related to State Graduation Requirement.

This act shall take effect on July 1, 2023 and shall apply to all public high school students who graduate in or after the 2024–2025 school year.

- As written, the bill’s proposed additions to 16 V.S.A. will have considerable downstream impacts on other statutes and rules including the Education Quality Standards reviewed above.
- Most of the changes identified above would be highly disruptive, divergent from current education regulation, responsibilities, and delivery systems, and thus incredibly destabilizing to the public education system.
- Additionally, this would be occurring within the context of the review and approval revisions to State Board Rules related to District Quality Standards and revisions to the EQS submitted by the Ethnic and Social Equity Standards Advisory Working Group.
- Finally, this timeline is impracticable and would be a disruptive influence in and of itself, further exacerbated by the fact that no funding has been identified to

support implementation of proposed changes to adapt to this significant departure from current regulation.

AOE Recommendations

The AOE recommends honoring the commitment to support financial literacy education through a multidisciplinary approach and/or through flexible pathways.

The AOE recommends maintaining the state-adopted Jump\$tart National Standards for Personal Finance Education.

The AOE invites committee members to hear from and/or visit the varied personal finance learning opportunities and classrooms in Vermont schools, in addition to stand-alone financial literacy classrooms, to gain an understanding of how financial literacy education can be delivered in a student-centered, proficiency-based system.

The AOE would recommend that investing in educator professional learning would be a high-impact strategy for supporting instructor proficiency and achieving spread and scale in Vermont schools.