

ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021
COMMITTEE STATEMENT
LB452

Hearing Date: Monday February 01, 2021
Committee On: Education
Introducer: McKinney
One Liner: Adopt the Financial Literacy Act

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 7 Senators Morfeld, McKinney, Day, Linehan, Pansing Brooks, Sanders, Walz
Nay:
Absent:
Present Not Voting: 1 Senator Murman

Oral Testimony:

Proponents:

Terrell McKinney
John Murante
Richard Baier
Jennifer Davidson
Kristi Thorton
Mike Skinner

Representing:

Introducer
State Treasurer
NBA
Nebraska Council on Economic Education
West Gate - NBA
Self

Opponents:

Representing:

Neutral:

Jeri Ferguson

Representing:

Self

Submitted Written Testimony:

Proponents:

Julia Plucker
Eric Hallman
Spike Eickholt

Representing:

Nebraska Credit Union League
Nebraska Independent Community Bankers
ACLU of Nebraska

Opponents:

Jason Hayes
John Skretta
Colby Coash

Representing:

NSEA
STANCE
NASB

Neutral:

Representing:

Summary of purpose and/or changes:

Legislative Bill 452 establishes the Financial Literacy Act and sets out a definition therein.

Under this bill the State Department of Education (NDE) is required to create and distribute financial literacy curriculum guidelines to all school districts. Each school district must then create and incorporate a financial literacy program into all phases of grades K-12 based off the guidelines from NDE. Such changes shall not change the number of instructional hours or prescribed for elementary and high school students or the number of instructional hours dedicated to existing curriculum.

Section 4 of this act dictates that evidence be presented to the NDE that financial literacy is being taught and that the department evaluate the effectiveness of the program. Should a school district fail to provide evidence on an annual basis they will lose their accreditation status.

The State Department of Education is also required to design a process to evaluate the implementation and effectiveness, not to include testing, assessment, or evaluation of individual student's attitudes or beliefs, and report such data to the Clerk of the Legislature, Education Committee, and State Board of Education.

Explanation of amendments:

The Committee Amendment becomes the bill. The changes from LB 452, as introduced are noted below. All other provisions from LB 452 are included in the Committee Amendment.

Sec. 2. changes the definition of financial literacy to include, but not be limited to, knowledge and skills regarding budget and financial record keeping; taxes; establishing, building, maintaining, and monitoring credit; debt; savings; risk management; insurance; and investment strategies.

Sec. 3. adds a half-credit high school personal financial literacy course requirement prior to graduation.

Adjusts the phases of curriculum that financial literacy is required to be incorporated to kindergarten through grade eight.

Requires the department to create and recommend financial literacy academic content standards pursuant to section 79-760.01 and distribute such standards to all school districts. Each district is required to adopt its own content standards pursuant to section 79-760.02 and create its own program based on those standards.

Sec. 4. Adds an implementation date of December 31, 2022, and an annual due date for reporting requirements placed upon school districts. Dictates that a school that fails to require completion of at least one half-credit personal finance, financial literacy course prior to graduation, or annually provide evidence of the implementation of such requirements shall lose its accreditation status. Amends the department's requirement to evaluate each school district's financial literacy course in the same manner they use to evaluate social studies curriculums.

Removes the original Sec. 5. from this bill.

Amends Section 79-729 to add the requirement for graduation of at least one half-credit hour in personal finance or financial literacy from LB 327.

Requires the State Board of Education to recommend academic content standards for financial literacy and requires school districts. Adds the requirement for school districts to adopt recommendations made by the department in accordance to their timeline but no later than one year following the recommendation. Clarifies language therein.

Lynne Walz, Chairperson