

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL 134
Education/Higher Education Committee Substitute Adopted 4/3/19

Short Title: Economics & Financial Literacy Act.

(Public)

Sponsors:

Referred to:

February 27, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE COMPLETION OF AN ECONOMICS AND PERSONAL FINANCE
3 COURSE AS A HIGH SCHOOL GRADUATION REQUIREMENT IN PUBLIC
4 SCHOOLS, TO CLARIFY REQUIREMENTS FOR HIGH SCHOOL CIVIC LITERACY,
5 AND TO REQUIRE PROFESSIONAL DEVELOPMENT FOR ECONOMICS AND
6 PERSONAL FINANCE TEACHERS.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** This act shall be known as the "Economics and Financial Literacy
9 Act."

10 **SECTION 2.(a)** G.S. 115C-81.65 reads as rewritten:

11 "**§ 115C-81.65. Financial literacy.**

12 (a) Instruction shall be provided in personal financial literacy for all students. In addition
13 to the requirements in subsection (b) of this section, the State Board of Education shall determine
14 the other components of personal financial literacy that will be covered in the curriculum. ~~The~~
15 ~~State Board shall also review the high school standard course of study to determine into which~~
16 ~~courses and grade levels personal financial literacy shall be integrated.~~

17 (b) ~~Each student shall receive personal financial literacy instruction that shall include:~~
18 The State Board of Education shall require during the high school years the teaching of a full
19 credit course focused solely on Economics and Personal Finance (EPF). A passing grade in the
20 course shall be required for graduation from high school. The content of the course shall, at a
21 minimum, include the standards established by the second edition of the Voluntary National
22 Content Standards in Economics and the 2013 National Standards for Financial Literacy, as
23 developed by the Council for Economic Education. The EPF course shall provide instruction on
24 economic principles and shall provide personal financial literacy instruction that shall include, at
25 a minimum, the following:

- 26 (1) The true cost of credit.
27 (2) Choosing and managing a credit card.
28 (3) Borrowing money for an automobile or other large purchase.
29 (4) Home mortgages.
30 (5) Credit scoring and credit reports.
31 (5a) Planning and paying for postsecondary education.
32 (6) Other relevant financial literacy issues.

33 (c) The State Board of Education shall require that EPF teachers receive the professional
34 development necessary to ensure that the intent and provisions of this section are carried out. To
35 the extent funds are made available for this purpose, the State Board of Education shall require
36 the employing entity to make available to EPF teachers and prospective EPF teachers the EPF



1 professional development course provided by the North Carolina Council on Economic
 2 Education (NCCEE). When practicable, teachers shall complete the EPF professional
 3 development course prior to teaching the EPF course in public schools. If necessary, teachers
 4 may begin teaching the EPF course in public schools while awaiting the next possible opportunity
 5 to complete a session of the EPF professional development course. To the extent possible, the
 6 EPF professional development course shall be taken at the NCCEE-approved location most
 7 conveniently located to the local school administrative unit."

8 **SECTION 2.(b)** The requirements of G.S. 115C-81.65(b), as enacted by this act,
 9 shall apply to all students entering the ninth grade in the 2020-2021 school year. The
 10 requirements of G.S. 115C-81.65(c), as enacted by this act, shall apply beginning July 1, 2019.

11 **SECTION 3.(a)** For the 2019-2020 fiscal year, there is appropriated from the
 12 General Fund to the nonprofit organization known as The North Carolina Council on Economic
 13 Education (NCCEE) the sum of one million sixty-three thousand eight hundred dollars
 14 (\$1,063,800) as grant-in-aid to provide for completion of the professional development course
 15 required in Section 2 of this act for teachers of the high school course in Economics and Personal
 16 Finance (EPF). The funds appropriated by this section shall be used to provide all of the
 17 following:

- 18 (a) The EPF professional development course, including administration of the
 19 Test of Economic Literacy and the Working in Support of Education personal
 20 finance test, and the provision of a certificate of completion to qualified
 21 teachers.
 22 (b) A stipend in the amount of five hundred dollars (\$500.00), upon completion
 23 of the Test of Economic Literacy and the Working in Support of Education
 24 personal finance test, to either the public school teacher, if the teacher attends
 25 the course on weekends or during a time outside the teacher's school year, or,
 26 to the teacher's public school employer, if the teacher attends the course on
 27 school days during the teacher's school year.

28 **SECTION 3.(b)** By September 1, 2020, and by September 1 of the year following
 29 any fiscal year that NCCEE uses State funds thereafter, NCCEE, in consultation with the
 30 Department of Public Instruction, shall submit a report to the Joint Legislative Education
 31 Oversight Committee and the Fiscal Research Division on the activities described by this section
 32 and the expenditure of State funds.

33 **SECTION 3.(c)** This section becomes effective July 1, 2019.

34 **SECTION 4.(a)** G.S. 115C-81.45 reads as rewritten:

35 "**§ 115C-81.45. Classes conducted in English; citizenship; and civic literacy.**

36 ...
 37 (c) Democratic Process and Citizenship ~~Education.~~ Education for Middle School Social
 38 Studies. –

- 39 (1) ~~The State Board of Education shall include instruction in civic and citizenship~~
 40 ~~education in the standard course of study for high school social studies. The~~
 41 ~~State Board of Education is strongly encouraged to include, at a minimum, the~~
 42 ~~following components in the high school civic and citizenship education~~
 43 ~~standard course of study:~~
 44 a. ~~That students write to a local, State, or federal elected official about~~
 45 ~~an issue that is important to them.~~
 46 b. ~~Instruction on the importance of voting and otherwise participating in~~
 47 ~~the democratic process, including instruction on voter registration.~~
 48 e. ~~Information about current events and governmental structure.~~
 49 d. ~~Information about the democratic process and how laws are made.~~
 50 (2) The State Board of Education shall include instruction in civic and citizenship
 51 education in the standard course of study for middle school social studies. The

- 1 State Board of Education is strongly encouraged to include, at a minimum, the
 2 following components in the middle school civic and citizenship education
 3 standard course of study:
- 4 ~~a-(1)~~ A tour of representative local government facilities, such as the local jail, the
 5 courthouse, or a town hall, to help students understand the way their
 6 community is governed.
- 7 ~~b-(2)~~ Allowing students to choose and analyze a community problem and offer
 8 public policy recommendations on the problem to local officials.
- 9 ~~e-(3)~~ Information about getting involved in community groups.
- 10 (d) Founding Principles of the United States of America and North Carolina: Civic
 11 Literacy. –
- 12 (1) The State Board of Education shall require ~~during the high school years~~
 13 instruction in civic and citizenship education in the standard course of study
 14 for high school social studies through the teaching of a semester full credit
 15 course on the that shall be called Founding Principles of the United States of
 16 America and the State of North Carolina. North Carolina: Civic Literacy. A
 17 passing grade in the course shall be required for graduation from high school,
 18 ~~and the school.~~
- 19 (1a) The course required by subdivision (1) of this subsection shall be solely
 20 focused on civics and citizenship education, and shall include at least the
 21 following subjects:
- 22 a. The Creator-endowed inalienable rights of the people.
 23 b. Structure of government, separation of powers with checks and
 24 balances.
 25 c. Frequent and free elections in a representative government.
 26 d. Rule of law.
 27 e. Equal justice under the law.
 28 f. Private property rights.
 29 g. Federalism.
 30 h. Due process.
 31 i. Individual rights as set forth in the Bill of Rights.
 32 j. Individual responsibility.
 33 k. Constitutional limitations on government power to tax and spend, and
 34 prompt payment of public debt.
 35 l. Strong defense and supremacy of civil authority over military.
 36 m. Peace, commerce, and honest friendship with all nations, entangling
 37 alliances with none.
- 38 (1b) The State Board of Education is strongly encouraged to include the following
 39 components in the course required by subdivision (1) of this subsection:
- 40 a. That students write to a local, State, or federal elected official about
 41 an issue that is important to them.
 42 b. Instruction on the importance of voting and otherwise participating in
 43 the democratic process, including instruction on voter registration.
 44 c. Information about current events and governmental structure.
 45 d. Information about the democratic process and how laws are made.
- 46 (2) The State Board of Education shall require that any high school level
 47 curriculum-based tests for the course required in subdivision (1) of this
 48 subsection developed and administered statewide ~~beginning with the~~
 49 ~~2016-2017 academic year~~ include questions related to the philosophical
 50 foundations of our form of government and the principles underlying the

1 Declaration of Independence, the United States Constitution and its
2 amendments, and the most important of the Federalist Papers.

3 (3) The Department of Public Instruction and the local boards of education, as
4 appropriate, shall provide or cause to be provided curriculum content for the
5 ~~semester~~ course required in subdivision (1) of this subsection and professional
6 development to ensure that the intent and provisions of this subsection are
7 carried out. The curriculum content established shall include a review of the
8 contributions made by Americans of all races.

9 (4) The Department of Public Instruction shall submit a biennial report by
10 October 15 of each odd-numbered year to the Joint Legislative Education
11 Oversight Committee covering the implementation of this subsection."

12 **SECTION 4.(b)** The requirements of G.S. 115C-81.45(d), as amended by this act,
13 shall apply to all students entering the ninth grade in the 2021-2022 school year.

14 **SECTION 5.(a)** G.S. 115C-218.85(a) is amended by adding a new subdivision to
15 read:

16 "(5) A charter school shall provide financial literacy instruction as required by the
17 State Board of Education pursuant to G.S. 115C-81.65, including required
18 professional development for teachers of the EPF course."

19 **SECTION 5.(b)** G.S. 115C-238.66(1) is amended by adding a new sub-subdivision
20 to read:

21 "e. The board of directors shall ensure that financial literacy instruction is
22 provided as required by the State Board of Education pursuant to
23 G.S. 115C-81.65, including required professional development for
24 teachers of the EPF course."

25 **SECTION 5.(c)** G.S. 116-239.8(b)(2) is amended by adding a new sub-subdivision
26 to read:

27 "d. The chancellor shall ensure that financial literacy instruction is
28 provided as required by the State Board of Education pursuant to
29 G.S. 115C-81.65, including required professional development for
30 teachers of the EPF course."

31 **SECTION 5.(d)** Section 6(d) of S.L. 2018-32 is amended by adding a new
32 subdivision to read:

33 "(4a) G.S. 115C-81.65, Financial literacy."

34 **SECTION 6.** The State Board of Education shall begin the process for review and
35 revision of the standard course of study for social studies in grades kindergarten through 12 in
36 the 2019-2020 school year, and shall revise the high school standard course of study in
37 accordance with the requirements of this act for the EPF course and the Founding Principles of
38 America and North Carolina: Civic Literacy course. The State Board shall review the high school
39 standard course of study to determine the high school grade level during which the EPF course
40 and the Founding Principles of America and North Carolina: Civic Literacy course may be
41 completed. The State Board of Education shall not require more than four full course credits in
42 social studies for high school graduation.

43 **SECTION 7.** Except as otherwise provided herein, this act is effective when it
44 becomes law.