

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H.B. 433
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40193-MVa-113

Short Title: Economics & Financial Literacy Act. (Public)

Sponsors: Representatives Horn, Szoka, Montgomery, and Hardister (Primary Sponsors).

Referred to:

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 ALL PUBLIC
4 SCHOOLS AND TO REQUIRE PROFESSIONAL DEVELOPMENT FOR ECONOMICS
5 AND PERSONAL FINANCE TEACHERS.

6 The General Assembly of North Carolina enacts:

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

9 **SECTION 2.** G.S. 115C-81.65 reads as rewritten:

10 "**§ 115C-81.65. Financial literacy.**

11 (a) ~~Instruction shall be provided in personal financial literacy for all students. In addition~~
12 ~~to the requirements in subsection (b) of this section, the State Board of Education shall determine~~
13 ~~the other components of personal financial literacy that will be covered in the curriculum. The~~
14 ~~State Board of Education shall require that all students are taught a full course credit focused~~
15 ~~solely on Economics and Personal Finance (EPF) during the high school years. The content of~~
16 ~~the course shall align with the second edition of the Voluntary National Content Standards in~~
17 ~~Economics and the 2013 National Standards for Financial Literacy, as developed by the Council~~
18 ~~for Economic Education. A passing grade in the course shall be required for graduation from~~
19 ~~high school. The State Board shall also review the high school standard course of study to~~
20 ~~determine into which courses and grade levels personal financial literacy during which the EPF~~
21 ~~course may be completed and shall be integrated-reorganize other courses as appropriate.~~

22 (b) ~~Each student shall receive. The EPF course shall provide instruction on economic~~
23 ~~principles and shall provide personal financial literacy instruction that shall include-include, but~~
24 ~~not be limited to, the following:~~

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

32 **SECTION 3.** G.S. 115C-81.65, as amended by Section 2 of this act, is amended by
33 adding a new subsection to read:

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



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1 shall require local school administrative units including the innovative school district and
2 renewal school systems, charter schools, lab schools, and regional schools to make available to
3 EPF teachers and prospective EPF teachers the EPF professional development course provided
4 by the North Carolina Council on Economic Education (NCCEE). When practicable, teachers
5 shall complete the EPF professional development course prior to teaching the EPF course in
6 public schools. If necessary, teachers may begin teaching the EPF course in public schools while
7 awaiting the next possible opportunity to complete a session of the EPF professional development
8 course. To the extent possible, the EPF professional development course shall be taken at the
9 NCCEE-approved location most conveniently located to the school of the public school teacher
10 taking the course."

11 **SECTION 4.** For the 2019-2020 fiscal year, there is appropriated from the General
12 Fund to the nonprofit organization known as The North Carolina Council on Economic Education
13 (NCCEE) the sum of one million sixty-three thousand eight hundred dollars (\$1,063,800) as
14 grant-in-aid to provide for completion of the professional development course required in Section
15 3 of this act for teachers of the high school course in Economics and Personal Finance (EPF).
16 The funds appropriated by this section shall be used to provide (i) the EPF professional
17 development course, including administration of the Test of Economic Literacy and the Working
18 in Support of Education personal finance test, and the provision of a certificate of completion to
19 qualified teachers and (ii) a stipend in the amount of five hundred dollars (\$500.00), upon
20 completion of the Test of Economic Literacy and the Working in Support of Education personal
21 finance test, to either the public school teacher, if the teacher attends the course on weekends or
22 during a time outside the teacher's school year, or, to the teacher's public school employer, if the
23 teacher attends the course on school days during the teacher's school year.

24 Of the funds appropriated to NCCEE by this section, any funds remaining at the end
25 of the 2022-2023 fiscal year shall be used to provide professional development for public school
26 EPF teachers. By September 1, 2020, and by September 1 of the year following any fiscal year
27 that NCCEE uses State funds thereafter, NCCEE, in consultation with the State Board of
28 Education, shall submit a report to the Joint Legislative Education Oversight Committee and the
29 Fiscal Research Division on the activities described by this section and the expenditure of State
30 funds.

31 **SECTION 5.** G.S. 115C-81.45(d) reads as rewritten:

32 "(d) Civic Literacy. –

33 (1) The State Board of Education shall require during the high school years the
34 teaching of ~~a semester course on the~~ Founding Principles of the United States
35 of America and the State of North Carolina. ~~A passing grade in the course~~
36 ~~shall be required for graduation from high school, and the course shall~~
37 Carolina, to include at least the following subjects:

- 38 a. The Creator-endowed inalienable rights of the people.
- 39 b. Structure of government, separation of powers with checks and
40 balances.
- 41 c. Frequent and free elections in a representative government.
- 42 d. Rule of law.
- 43 e. Equal justice under the law.
- 44 f. Private property rights.
- 45 g. Federalism.
- 46 h. Due process.
- 47 i. Individual rights as set forth in the Bill of Rights.
- 48 j. Individual responsibility.
- 49 k. Constitutional limitations on government power to tax and spend, and
50 prompt payment of public debt.
- 51 l. Strong defense and supremacy of civil authority over military.

m. Peace, commerce, and honest friendship with all nations, entangling alliances with none.

(2) The State Board of Education shall require that any high school level curriculum-based tests for the ~~course-content~~ required in subdivision (1) of this subsection developed and administered statewide beginning with the 2016-2017 academic year include questions related to the philosophical foundations of our form of government and the principles underlying the Declaration of Independence, the United States Constitution and its amendments, and the most important of the Federalist Papers.

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

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

SECTION 6. G.S. 115C-218.85(a) is amended by adding a new subdivision to read:

"(5) A charter school shall provide financial literacy instruction as required by the State Board of Education pursuant to G.S. 115C-81.65."

SECTION 7. G.S. 115C-238.66(1) is amended by adding a new sub-subdivision to

read:

"e. The board of directors shall ensure that financial literacy instruction is provided as required by the State Board of Education pursuant to G.S. 115C-81.65."

SECTION 8. G.S. 116-239.8(b)(2) is amended by adding a new sub-subdivision to

read:

"d. The chancellor shall ensure that financial literacy instruction is provided as required by the State Board of Education pursuant to G.S. 115C-81.65."

SECTION 9. Section 6(d) of S.L. 2018-32 is amended by adding a new subdivision

to read:

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

SECTION 10. Sections 2, 5, 6, 7, 8, and 9 of this act are effective when they become law and apply beginning with the 2020-2021 school year. Sections 3 and 4 of this act are effective July 1, 2019. The remainder of this act is effective when it becomes law.