House Primary and Secondary Education Committee
Senate Bill 1 Interested Party Testimony
Buckeye Association of School Administrators
Ohio Association of School Business Officials
Ohio School Boards Association
Ohio Association of Secondary School Administrators
June 15, 2021

Chair Manning, Vice Chair Bird, Ranking Member Robinson, and Members of the House Primary and Secondary Education Committee, thank you for the opportunity to provide interested party testimony on Senate Bill (SB) 1. My name is Barbara Shaner representing the Ohio Association of Secondary School Administrators (OASSA). Joining me today to offer testimony and answer questions are Kevin Miller, the Director of Governmental Relations for the Buckeye Association of School Administrators (BASA), Will Schwartz , Deputy Director of Legislative Services for the Ohio School Boards Association (OSBA), and Katie Johnson, Deputy Executive Director for the Ohio Association of School Business Officials (OASBO). Our organizations represent high school principals, school district superintendents, public boards of education, and treasurers/CFOs, business managers and other school business officials from around the state.

Beginning with the Class of 2025, SB 1 would require students to complete at least one-half unit of instruction in financial literacy as part of the required high school curriculum. The bill exempts students who attend chartered nonpublic schools from the financial literacy requirement, unless they attend the school using a state scholarship.

The bill would also require districts to have faculty members with educator license validation in financial literacy instruction to provide instruction in the study of financial literacy.

The content of the proposed course must satisfy the existing academic content standards for financial literacy adopted by the State Board of Education. In addition, the bill permits schools to use available public-private partnerships as well as resources and materials that exist in business and industry to develop their curriculum, therefore, meeting the unique needs of their students and community.

We support education in financial literacy for Ohio's students. It is important information for students to learn before confronting life's financial challenges. However, while we support the goals of SB 1, we would be remiss if we did not discuss what is already in law and identify some potential unintended consequences of the bill.

First, under current law, economics and financial literacy must be integrated into the three social studies units required for graduation, or into the content of another class. Under the Senate version of SB 1, the financial literacy portion must equal one-half unit toward graduation. The bill does not provide for districts to continue their current practice as was previously stated, unless the financial literacy instruction already equals one-half unit (or one semester). We believe this new mandate is unnecessary and leads us to have strong concerns that the provisions in SB 1 will crowd out other options for students.

Ohio law requires that districts teach financial literacy to students. We have not seen evidence that districts are not in compliance with this requirement, Our members have a difficult time seeing the need for an additional mandate for financial literacy instruction. As we've mentioned, financial literacy standards have already been developed by the state board of education. The Ohio Department of Education also has model curriculum available for school districts to utilize. The current requirement provides a system of local control that allows each district to provide financial literacy instruction in a way that meets each student's needs.

Next, the implementation of financial literacy as mandated in SB 1 leads to confusion and further concern. The new mandate in SB 1 leads to two questions: First, what social studies standards will be neglected in order to make room for the new financial literacy requirement? And second, how will the financial literacy requirement impact students' performance on American History and Government end-of-course exams?

Additionally, if a district determines that they will meet the SB 1 requirement through offering a semester-long course in financial literacy, the additional semester requirement will reduce the electives available to a student by half a credit. The result is that students pursuing a particular curriculum leading to a chosen career path might not be able to avail themselves of all of the course opportunities in exploring and preparing for that career. The implementation of a new requirement will likely have negative effects on programs in other areas, such as business, technology, STEM, and the arts.

We are thankful that SB 1 establishes the High School Financial Literacy Fund. That fund would reimburse the cost for meeting the additional requirements for the license validation that are incurred by a teacher or $500, whichever is less. Without knowing what the requirements for licensure validation will be, it is difficult to discern whether the reimbursement offered through the High School Financial Literacy Fund will be enough to cover district expenses.

We are also concerned that the new financial literacy requirement contained in SB 1 could require school districts to hire additional staff if they do not currently have faculty members who meet the requirements for validation in financial literacy. Likewise, if currently eligible instructors already have full schedules, the only alternatives would be the hiring of additional teachers OR the reduction of already existing curricular offerings to make room for the financial literacy requirement.

We urge the committee to include an appropriation amount for school districts to cover the cost of additional staff where needed.

As we conclude our testimony, we want to emphasize again that financial literacy is important to the well-being of students. We believe districts have taken great effort in implementing the current law and provide meaningful financial literacy instruction to their students. We stand ready to continue to work with the sponsors of SB 1 to discuss ways to strengthen financial literacy education while eliminating the possibility of the unintended consequences we've pointed out here.

Thank you for this opportunity to offer this testimony. We are happy to address questions at the pleasure of the chair.