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BILL ANALYSIS



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Senate Bill 267 (as introduced 3-19-13)
Sponsor: Senator Tupac A. Hunter
Committee: Banking and Financial Institutions

Date Completed: 4-9-13

CONTENT

The bill would amend the Revised School Code to require students to complete a half-credit course in financial literacy in order to receive a high school diploma under the Michigan merit standard.

The Code generally requires students to complete four credits in math to receive a high school diploma. Of those four credits, three must include algebra I, geometry, and algebra II. For the fourth credit, students may apply credit from a math class such as trigonometry, statistics, precalculus, calculus, applied math, accounting, business math, a retake of algebra II, or a course in financial literacy.

The bill would alter this requirement. Students would have to complete three credits in algebra I, geometry, and algebra II, a half credit in financial literacy, and a half credit in a math course such as trigonometry, statistics, precalculus, calculus, applied math, accounting, business math, or a retake of algebra II.

(Under the Code, the Department of Education is responsible for developing model programs for financial education for youths. School districts and public school academies are encouraged to adopt and implement these, and similar, programs. The Code requires that the programs be based on the concept of achieving financial literacy through teaching personal financial management skills, and the basic principles involved with earning, spending, saving, borrowing, and investing.)

MCL 380.1278a

Legislative Analyst: Glenn Steffens

FISCAL IMPACT

The bill would have no fiscal impact on the State.

There could be a local fiscal impact if school districts do not already have financial literacy as an optional math credit, and would then be required to purchase materials or develop curricula to comply with the mandatory provision of one-half credit in financial literacy. However, the extent of this fiscal impact is unknown, and would be at least partially offset by the reduction in optional math content from one credit to one-half credit.

Fiscal Analyst: Kathryn Summers

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.