

# Legislative Analysis

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## PERSONAL ECONOMICS & FINANCIAL LITERACY

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 4390 as introduced**  
**Sponsor: Rep. Jim Tedder**  
**Committee: Education**  
**Complete to 4-15-15**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 4390 would amend the Revised School Code to allow high school students to satisfy their half-credit economics requirement by completion of at least a half-credit course in personal economics or in financial literacy.

MCL 380.1278a

### FISCAL IMPACT:

The bill would have no fiscal impact on state or local government.

### BACKGROUND INFORMATION:

#### *High School Credit Requirements*

Currently under Michigan law, high school students must successfully complete at least the following 18 credit requirements to earn a high school diploma:

- Three credits in social science including completion of at least one credit in United States history and geography, one credit in world history and geography, one-half credit in *economics*, and a civics course. ***House Bill 4390 would modify this one-half credit economics requirement.***
- Four credits in mathematics including completion of at least algebra I, geometry, and algebra II (or an integrated sequence of this course content that consists of three credits), and also an additional mathematics credit (such as trigonometry, statistics, pre-calculus, calculus, applied math, accounting, business math, a retake of algebra II, ***or a course in financial literacy as described in Section 1165 of the code.*** [Note: the algebra II requirement can be fulfilled with completion of a career and technical education program].
- Four credits in English language arts.
- Three credits in science including biology and either chemistry or physics. [Note: students are strongly encouraged to complete a fourth science credit in courses such as forensics, astronomy, Earth science, agricultural science, environmental science, geology, physics or chemistry, physiology, or microbiology.]

- Two credits in a language other than English during grades K-12, allowing American Sign Language and on-line coursework. [Note: Students who graduate high school in 2016, 2017, 2018, 2019, 2020, and 2021 can fulfill one credit of this requirement by completing a career and technical education program, or by completing visual or performing arts instruction.]
- One credit in both health and physical education (allowing one-half credit for extracurricular athletics).
- One credit in the arts including the visual, performing, or applied arts.

***Financial Literacy***

Section 380.1165 of the Revised School Code requires the Department of Education to make one or more models of programs for youth financial education available throughout the K-12 curriculum. Such programs must be based on the concept of achieving financial literacy through the teaching of personal financial management skills and the basic principles involved with earning, spending, saving, borrowing, and investing.

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