



March 10, 2021

TO: Members, House Education Policy Committee
FROM: Dr. Julie Bunn, Executive Director, Minnesota Council on Economic Education (MCEE)
RE: Omnibus Education Policy Bill, HF1081 DE1

Thank you for this opportunity to make three points regarding the personal finance class required for graduation contained in this bill (lines 11.25-11.31).

1) MCEE supports a required course in personal finance for MN students to graduate high school.

We thank Representative Hassan for her introduction of HF1617 A-1 author's amendment and we thank the Chair for inclusion of that language in the Omnibus Bill. While we understand and appreciate the arguments of those who do not wish to see further course requirements or mandates at the high school level, we believe that the great need for personal finance instruction merits an exception. An abundance of research on financial education supports a financial education requirement:

- High-quality instruction in personal finance helps lead to positive changes in youth behaviors and produces meaningful benefits to the students' families because parents are exposed to ideas through their children. Studies find that adequate financial education is linked to higher lifetime savings, lower susceptibility to fraud, and greater financial security.
- The Minnesota state Social Studies standards currently contain a personal finance strand within the K-12 economics standards; however, these benchmarks are unevenly taught across districts and schools (and sometimes not at all), and the quality of the instruction and curricula employed also varies widely.
- States with only academic standards do not achieve the same outcomes in financial literacy as states that combine academic standards with a required course and/or test for graduation.
- Relying solely on academic standards can exacerbate social and racial inequities in education. Research shows that wealthier districts provide more in personal finance instruction under a standards-only model than more diverse and less affluent schools. Having a consistent requirement will change the incentives for districts and can help close achievement gaps in financial literacy.

2) Workforce Issues.

There are insufficient teachers to support an immediate implementation of this required course and relying on online providers or classes will lower the overall quality of education received by students (see MCEE/Bunn testimony on HF1617 A-1).

Online courses often stress rote memorization and do not adequately engage students beyond that; in-person learning allows students to develop communication, critical thinking, and problem-solving skills that are invaluable in their future lives and careers. MCEE has long been a champion for developing and using culturally responsive teaching methods and lessons to engage students in personal finance and make concepts relevant to their lives. Online courses in personal finance, even if they meet state standards, cannot easily provide content in a manner that centers students' lived experiences or responds to the diverse needs and perspectives that Minnesota classrooms require. For too long, education in personal finance and economics has left behind students of color due to systemic inequities in education funding and access to appropriately relevant and inclusive instruction. To reduce the role of Minnesota teachers in delivering personal finance content is to do a disservice to students who face countless barriers to financial services and education.



This requirement would affect approximately 1,000 schools employing more than 22,000 teachers. Of those teachers:

- 14% are licensed to teach social studies (currently having primary responsibility for delivering the personal finance strand of the academic standards);
- 2% are licensed to teach business (also teach personal finance courses), and;
- 0.7% are licensed to teach agriculture (whose standards include personal finance content)

In order to deliver the necessary required course, more trained and qualified teachers would be needed, and Minnesota colleges cannot produce them fast enough in the necessary areas. According to PELSB, only 16% of new teachers receive a license in social studies for secondary students, 2% receive a license in business, and 0.5% receive a license in agriculture, and the vast majority of these are not qualified to teach this course without additional training. More time may be needed than allowed under the language of the personal finance course requirement to ensure that all students have access to a qualified educator.

Also, to provide districts and schools greater flexibility to address workforce issues, and to provide students needed flexibility in designing their course schedules (especially as many take advantage of PSEO in their junior and senior years), the language needs to be amended to allow the course to be taken for credit for graduation any time in high school (or at least 10th through 12th grade) as opposed to requiring it be taken in the senior year.

3) MCEE stands ready to train Minnesota teachers to deliver a quality, required course in personal finance for all Minnesota high school students that includes training in culturally responsive pedagogy, and supports them with the resources to teach this course.

- The Minnesota Council on Economic Education (MCEE) has been deeply involved in promoting and providing personal finance education since our founding 60 years ago. Through a statewide network of K-12 teachers, university educators, and community partners, we have pioneered curricula and methods that bring personal finance concepts to life for students and families in alignment with state academic standards and national guidelines from the Jump\$tart coalition and the national Council on Economic Education (CEE). We track national research on teaching methods and pedagogy to be able to prepare teachers with the most up-to-date information to ensure student success.
- Each year, MCEE supports Minnesota teachers and school districts by providing professional development opportunities and curriculum (developed by MCEE and curated from across the country).
- MCEE has long been a champion for developing and using culturally responsive teaching methods and lessons to engage students in personal finance and make concepts relevant to their lives. For too long, education in personal finance and economics has left behind students of color due to systemic inequities in education funding and access to relevant and inclusive instruction in these subjects.
- MCEE collaborates on delivering the highest quality personal finance professional development to Minnesota teachers with a network of over 100 state councils and centers for economic education associated with the national CEE, the National Endowment for Financial Education, and NextGen Personal Finance, as well as Minnesota content-specific teacher associations.

In conclusion, MCEE supports the passage of a high school personal finance course requirement. **MCEE also believes that lawmakers, MDE and external stakeholders should work together over the next year to develop consensus around a comprehensive set of evidence-based standards for this class, and for what Minnesota teachers need to demonstrate to be qualified to teach it.**

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