

SENATE BILL NO. 249—SENATORS WOODHOUSE, RATTI, CANNIZZARO, CANCELA, PARKS; ATKINSON, DENIS, FARLEY, FORD, MANENDO, SEGERBLOM AND SPEARMAN

MARCH 8, 2017

JOINT SPONSORS: ASSEMBLYMEN MONROE-MORENO, COHEN, DIAZ, NEAL, FLORES; FUMO AND JOINER

Referred to Committee on Education

SUMMARY—Requires instruction in financial literacy and economics in public schools. (BDR 34-62)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to education; requiring instruction in financial literacy for certain pupils enrolled in public schools; requiring a pupil enrolled in a public high school to receive instruction in economics; creating the Account for Instruction in Financial Literacy in the State General Fund; making an appropriation; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires a pupil enrolled in a public high school to enroll in a  
2 certain number of credits in certain subject areas. (NRS 389.018) **Section 2** of this  
3 bill requires a pupil enrolled in a public high school to enroll in one-half unit of  
4 credit in economics and limits American government to one-half unit of credit, but  
5 allows a school district to authorize a school to offer a combined course in  
6 American government and economics for one unit of credit in certain  
7 circumstances. **Section 7** of this bill makes those provisions effective on July 1,  
8 2022.

9 Existing law requires instruction in financial literacy for pupils enrolled in high  
10 school in each school district and in each charter school that operates as a high  
11 school. (NRS 389.074) **Section 3** of this bill additionally requires instruction in  
12 financial literacy for pupils enrolled in grades 3 to 12, inclusive. **Section 3** requires  
13 the Council to Establish Academic Standards for Public Schools to include the  
14 standards of content and performance for instruction in financial literacy in the



\* S B 2 4 9 R 2 \*

15 standards of content and performance established by the Council. **Section 3** also  
16 requires that instruction in financial literacy: (1) be age-appropriate; (2) include  
17 certain topics; and (3) be provided within a course of study for which the Council  
18 has established the relevant standards of content and performance. **Section 1** of this  
19 bill creates the Account for Instruction in Financial Literacy in the State General  
20 Fund and provides that money in the Account generally may be used only for  
21 providing the instruction in financial literacy required by **section 3**.

22 Existing law requires the board of trustees of each school district and the  
23 governing body of each charter school to ensure that teachers employed by the  
24 school district or charter school have access to certain professional development  
25 training. (NRS 391A.370) **Section 4** of this bill requires each school district and the  
26 governing body of a charter school in which pupils are enrolled in any grade of  
27 grades 3 to 12, inclusive, to provide professional development training regarding  
28 financial literacy to teachers who teach in a subject area in which instruction in  
29 financial literacy is provided. The professional development training required by  
30 **section 4** may be provided by a school district or governing body or through an  
31 agreement with an institution of higher education or a regional training program for  
32 professional development of teachers and administrators.

33 **Section 4.5** of this bill makes an appropriation to carry out the provisions of  
34 this bill. **Section 5** of this bill requires the Council to Establish Academic Standards  
35 for Public Schools to establish standards of content and performance for the  
36 instruction in financial literacy and to revise the standards of content and  
37 performance for instruction in American government by December 1, 2017, and  
38 requires the State Board of Education to adopt and revise such standards of content  
39 and performance by February 1, 2018.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 388 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3 *1. The Account for Instruction in Financial Literacy is*  
4 *hereby created in the State General Fund, to be administered by*  
5 *the Superintendent of Public Instruction. The Superintendent of*  
6 *Public Instruction may accept gifts and grants of money from any*  
7 *source for deposit in the Account. Any money from gifts and*  
8 *grants may be expended in accordance with the terms and*  
9 *conditions of the gift or grant, or in accordance with subsection 2.*  
10 *The interest and income earned on the sum of the money in the*  
11 *Account and any unexpended appropriations made to the Account*  
12 *from the State General Fund must be credited to the Account. Any*  
13 *money remaining in the Account at the end of the fiscal year does*  
14 *not revert to the State General Fund, and the balance in the*  
15 *Account must be carried forward to the next fiscal year.*

16 *2. Except as otherwise provided in subsection 1, the money in*  
17 *the Account may be used only for providing the instruction in*  
18 *financial literacy required by NRS 389.074. The State Board shall*  
19 *adopt regulations governing the distribution of money in the*  
20 *Account for this purpose.*



1       **Sec. 2.** NRS 389.018 is hereby amended to read as follows:  
2       389.018 1. The following subjects are designated as the core  
3 academic subjects that must be taught, as applicable for grade  
4 levels, in all public schools, the Caliente Youth Center, the Nevada  
5 Youth Training Center and any other state facility for the detention  
6 of children that is operated pursuant to title 5 of NRS:

- 7       (a) English language arts;
- 8       (b) Mathematics;
- 9       (c) Science; and
- 10      (d) Social studies, which includes only the subjects of history,  
11 geography, economics and government.

12      2. Except as otherwise provided in this subsection, a pupil  
13 enrolled in a public high school must enroll in a minimum of:

- 14      (a) Four units of credit in English language arts;
- 15      (b) Four units of credit in mathematics, including, without  
16 limitation, Algebra I and geometry, or an equivalent course of study  
17 that integrates Algebra I and geometry;
- 18      (c) Three units of credit in science, including two laboratory  
19 courses; and
- 20      (d) Three units of credit in social studies, including, without  
21 limitation:

- 22          (1) *One-half unit of credit in* American government;
- 23          (2) *Two units of credit in* American history ~~†; and~~
- 24          ~~(3) *World†, world* history or geography ~~††; and~~~~
- 25          (3) *One-half unit of credit in economics.*

26      ↳ A pupil is not required to enroll in the courses of study and  
27 credits required by this subsection if the pupil, the parent or legal  
28 guardian of the pupil and an administrator or a counselor at the  
29 school in which the pupil is enrolled mutually agree to a modified  
30 course of study for the pupil and that modified course of study  
31 satisfies at least the requirements for a standard high school diploma  
32 or an adjusted diploma, as applicable. *A school district may*  
33 *authorize one or more public high schools in the school district to*  
34 *offer a combined course in American government and economics*  
35 *for one unit of credit which satisfies the requirements of*  
36 *subparagraphs (1) and (3) if the curriculum of an advanced*  
37 *placement course is used for American government in the*  
38 *combined course.*

39      3. Except as otherwise provided in this subsection, in addition  
40 to the core academic subjects, the following subjects must be taught  
41 as applicable for grade levels and to the extent practicable in all  
42 public schools, the Caliente Youth Center, the Nevada Youth  
43 Training Center and any other state facility for the detention of  
44 children that is operated pursuant to title 5 of NRS:

- 45      (a) The arts;



- 1 (b) Computer education and technology;
- 2 (c) Health; and
- 3 (d) Physical education.

4 ➔ If the State Board requires the completion of course work in a  
5 subject area set forth in this subsection for graduation from high  
6 school or promotion to the next grade, a public school shall offer the  
7 required course work. Except as otherwise provided for a course of  
8 study in health prescribed by subsection 1 of NRS 389.021 and the  
9 instruction prescribed by subsection 1 of NRS 389.064, unless a  
10 subject is required for graduation from high school or promotion to  
11 the next grade, a charter school is not required to comply with this  
12 subsection.

13 **Sec. 3.** NRS 389.074 is hereby amended to read as follows:

14 389.074 1. The board of trustees of each school district and  
15 the governing body of each charter school ~~{that operates as a high~~  
16 ~~school}~~ shall ensure that instruction ~~{on}~~ *in* financial literacy is  
17 provided to pupils enrolled in *grades 3 to 12, inclusive, in* each  
18 public ~~{high}~~ school within the school district or in the charter  
19 school, as applicable. The instruction must include, without  
20 limitation:

21 (a) The skills necessary to develop financial responsibility,  
22 including, without limitation:

23 (1) Making reasonable financial decisions by analyzing the  
24 alternatives and consequences of those financial decisions;

25 (2) Locating and evaluating financial information from  
26 various sources;

27 (3) *Judging the quality of services offered by a financial*  
28 *institution;*

29 (4) Developing communication strategies to discuss financial  
30 issues;

31 ~~{(4)}~~ (5) Controlling personal information; and

32 ~~{(5)}~~ (6) Reviewing and summarizing federal and state  
33 consumer protection laws.

34 (b) The skills necessary to manage finances, including, without  
35 limitation:

36 (1) Developing a plan for spending and saving;

37 (2) Developing a system for keeping and using financial  
38 records; and

39 (3) Developing a personal financial plan.

40 (c) The skills necessary to understand the use of credit and the  
41 incurrence of debt, including, without limitation:

42 (1) Identifying the costs and benefits of various types of  
43 credit;

44 (2) *Understanding the methods to manage debt and the*  
45 *consequences of acquiring debt;*



1           (3) *Understanding how interest rates, compounding*  
2 *frequency and the terms of a loan can affect the cost of credit;*

3           (4) *Completing an application for a loan;*

4           (5) *Understanding different types of loans, including,*  
5 *without limitation, payday loans, automobile loans, student loans*  
6 *and mortgages;*

7           (6) Explaining the purpose of a credit report, including,  
8 without limitation, the manner in which a credit report is used by  
9 lenders;

10          ~~(3)~~ (7) Describing the rights of a borrower regarding his or  
11 her credit report;

12          ~~(4)~~ (8) Identifying methods to avoid and resolve debt  
13 problems; and

14          ~~(5)~~ (9) Reviewing and summarizing federal and state  
15 consumer credit protection laws.

16          (d) The skills necessary to understand the basic principles of  
17 saving and investing, including, without limitation:

18           (1) Understanding how saving and investing contribute to  
19 financial well-being;

20           (2) Understanding the methods of investing and alternatives  
21 to investing;

22           (3) Understanding how to buy and sell investments; ~~and~~

23           (4) *Understanding compound interest, including, without*  
24 *limitation, in the context of investments;*

25           (5) *Understanding various types of securities, including,*  
26 *without limitation, stocks and bonds; and*

27           (6) Understanding how the regulation of financial institutions  
28 protects investors.

29          (e) *The skills necessary to prevent and limit the consequences*  
30 *of identity theft and fraud.*

31          (f) *The skills necessary to understand the basic assessment of*  
32 *taxes, including, without limitation, understanding the matter in*  
33 *which taxes are computed by local, state and federal governmental*  
34 *entities.*

35          (g) *The skills necessary to understand the basic principles of*  
36 *insurance, including, without limitation:*

37           (1) *Understanding the function of various insurance*  
38 *policies; and*

39           (2) *Determining the quality of an insurance provider.*

40          (h) *The skills necessary to plan for higher education and*  
41 *career choices, including, without limitation:*

42           (1) *Information concerning institutions of higher education*  
43 *and college preparedness;*

44           (2) *Information concerning career options;*

45           (3) *Writing a resume;*



1           (4) *Information concerning opportunities for financial aid,*  
2 *including the Free Application for Federal Student Aid and the*  
3 *programs of the Western Interstate Commission for Higher*  
4 *Education, and the manner in which to qualify for such*  
5 *opportunities;*

6           (5) *Information concerning scholarship opportunities,*  
7 *including, without limitation, the Governor Guinn Millennium*  
8 *Scholarship Program and Silver State Opportunity Grant*  
9 *Program; and*

10          (6) *Information concerning prepaid tuition and college*  
11 *savings programs and plans established pursuant to chapter 353B*  
12 *of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. §*  
13 *529.*

14          2. The *standards of content and performance for the*  
15 *instruction in financial literacy* required by subsection 1 ~~may~~  
16 *must be included in the standards of content and performance*  
17 *established by the Council to Establish Academic Standards for*  
18 *Public Schools pursuant to NRS 389.520. The instruction required*  
19 *by subsection 1 must be:*

20           (a) *Age-appropriate; and*

21           (b) *Included* within a course ~~for program of instruction that~~  
22 ~~pupils enrolled in high school are otherwise required to complete for~~  
23 ~~graduation.]~~ *of study for which the Council has established the*  
24 *relevant standards of content and performance, including, without*  
25 *limitation, a course of study in economics, mathematics or social*  
26 *studies.*

27          3. *The board of trustees of each school district and the*  
28 *governing body of each charter school in which pupils are*  
29 *enrolled in any grade of grades 3 to 12, inclusive, shall encourage:*

30           (a) *Persons to donate money to the Account for Instruction in*  
31 *Financial Literacy created by section 1 of this act;*

32           (b) *Persons to volunteer time, expertise and resources to assist*  
33 *a school district, governing body of a charter school, public school*  
34 *or teacher in the provision of instruction in financial literacy; and*

35           (c) *Partnerships between a school district or charter school*  
36 *and relevant persons, businesses or entities in which those*  
37 *persons, businesses or entities provide the resources necessary to*  
38 *provide instruction in financial literacy.*

39          **Sec. 4.** Chapter 391A of NRS is hereby amended by adding  
40 thereto a new section to read as follows:

41           *Each school district and the governing body of a charter school*  
42 *in which pupils are enrolled in any grade of grades 3 to 12,*  
43 *inclusive, shall provide professional development training*  
44 *regarding financial literacy to teachers who teach in a subject*  
45 *area in which instruction in financial literacy is provided. Such*



*professional development training may be provided by the school district or governing body or through an agreement with an institution of higher education or a regional training program for professional development of teachers and administrators.*

**Sec. 4.5.** 1. There is hereby appropriated from the State General Fund to the Clark County School District to carry out the provisions of this act the following sums:

For the Fiscal Year 2017-2018.....	\$700,000
For the Fiscal Year 2018-2019.....	\$1,000,000

2. There is hereby appropriated from the State General Fund to the Washoe County School District to carry out the provisions of this act the following sums:

For the Fiscal Year 2017-2018.....	\$200,000
For the Fiscal Year 2018-2019.....	\$300,000

3. There is hereby appropriated from the State General Fund to the Department of Education to carry out the provisions of this act the following sums:

For the Fiscal Year 2017-2018.....	\$100,000
For the Fiscal Year 2018-2019.....	\$200,000

4. Any balance of the sums appropriated by subsections 1, 2 and 3 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money must not be spent for any purpose after September 21, 2018, and September 20, 2019, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 21, 2018, and September 20, 2019, respectively.

5. Money appropriated pursuant to subsection 1 or 2 must be used to support instruction in financial literacy or economics, including, without limitation, by providing professional development training regarding financial literacy to teachers who teach in a subject area in which instruction in financial literacy is provided.

6. Money appropriated pursuant to subsection 3 must be used to award grants of money to school districts other than the Clark County School District and Washoe County School District and to the sponsors of charter schools that submit an application to the Department of Education. The amount granted to each school district and charter school must be based upon the number of pupils enrolled in each such school district or charter school, as applicable,



1 who are enrolled in a subject area in which instruction in financial  
2 literacy is provided, and not on a competitive basis.

3 7. The sums appropriated by this section must be accounted for  
4 separately from any other money and used only for the purposes  
5 specified in this section.

6 **Sec. 5.** The Council to Establish Academic Standards for  
7 Public Schools created by NRS 389.510 shall establish the standards  
8 of content and performance for instruction in financial literacy and  
9 revise the standards of content and performance for instruction in  
10 American government on or before December 1, 2017. The State  
11 Board of Education shall adopt standards of content and  
12 performance for instruction in financial literacy and revise standards  
13 of content and performance for instruction in American government  
14 on or before February 1, 2018.

15 **Sec. 6.** (Deleted by amendment.)

16 **Sec. 7.** 1. This section and sections 1, 3, 4, 5 and 6 of this act  
17 become effective upon passage and approval.

18 2. Section 4.5 of this act becomes effective on July 1, 2017.

19 3. Section 2 of this act becomes effective on July 1, 2022.

