

2009 HOUSE EDUCATION

HB 1443

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1443

House Education Committee

☐ Check here for Conference Committee

Hearing Date: February 3, 2009

Recorder Job Number: 8539

Committee Clerk Signature

Carmen Hart

Minutes:

Rep. Lisa Wolf, District 3, appeared in support of HB 1443. This bill just requires to offer the class in consumer finance. It does not require the students to take it. Consumer finance and managing your money are some of the ways in my research that I have found that other schools are offering. Some of the schools do offer, but not all do. I know that in our school several teachers teach little bit here and there in their class. This does not mount up to personal finance. We need to actually have our kids learning about finance. They should be learning about it at home. The parents don't always understand. When you have kids that go shopping with their parents, all they see their parents do is whip out a credit card. That is their introduction to personal finance. This doesn't happen in all households, but it does happen an awful lot. Many of the existing teachers could teach this class, and there is an abundance of free curriculum, free texts, and free information out there.

(See Attachments 1 and 2. Written testimony was provided by Kelly Schmidt and Julie Kubisiak. These individuals were not present.)

Rep. Phillip Mueller: Are you familiar with what can be done over distance education in regard to this personal finance?

Rep. Wolf: I would anticipate using the REAs to facilitate getting this out through the IVN.

Karen Tyler, ND Securities Commissioner, appeared in support of HB 1443. (See Attachment 4.)

Rep. David Rust: As a former superintendent, we had a number of our teachers take both the Invest ND classes and a number of students participate in the stock market game. They are both good.

Rick Clayburgh, President/CEO, ND Bankers Association, appeared in support of this bill. North Dakota bankers have been involved in teaching financial literacy for a long time. We have reached out and do a very good job at making sure that all students have an opportunity for learning the lessons that are important on being able to manage their financial life. It is very important as we move into a very complex world.

Chairman Kelsch: We have this study resolution that Rep. Meier has sponsored and it talks about studying financial literacy. You made an interesting comment earlier about looking at junior achievement or a public private partnership. Maybe that is something that could be added into the study resolution.

Rick Clayburgh: I understand what the school districts are trying to deal with resources. There a lot of professionals in the state that would be more than happy where we have banks. In this last year we had roughly close to 100 bankers and spoke in classrooms across the state. This is somewhat similar on the junior achievement. We have more than 400 branches of banks across the state of North Dakota that have bank professionals in most of our communities. They could reach out into the school districts and potentially help be some of that resource in helping provide financial literacy in the classroom. I commend the bill sponsors for all these bills because these are very important issues. I do appreciate what the school districts are trying to deal with in increasing math and science and all the various aspects in order to make sure we have well rounded kids graduating from our schools.

Finances are becoming so complex and there are so many issues that our kids face as they become adults. That is why we strongly support financial literacy no matter how we can get it into our school systems.

Greg Gallagher, Director of Standards and Achievement, Dept. of Public Instruction, appeared. **(See Attachment 3.)** He wanted to concentrate on one issue. Standards based approach to education is different from course based approach.

Opposition

Bev Nielson, NDSBA, appeared. We do support the study. If you are going to consider requiring either an offering or graduation requirement, the offering would be preferable. Even if it is the offering, we would ask that you would consider not requiring schools to offer it before the 2010-11 school year. What happens with offering this is we have kids beginning to register already for next semester and by the time the session is over and we know exactly what your final decisions are, it is really late to add a new course offering.

Dr. Doug Johnson, NDCEL, appeared. HB 1463 is more tolerable to us than HB 1564 because it is not requiring the course to be part of the graduation requirements. The council does too support the resolution to study. It is obvious from Mr. Gallagher's testimony that it needs to be a K-12 approach. A study next interim would provide that ability to find out the different curriculums for all grade levels for this issue.

Janet Welk, ESPB, appeared to answer some questions by the committee members.

Rep. Lyle Hanson: The way this bill reads is shall make available. If you took the course by correspondence, would that be satisfying state law?

Janet Welk: Yes.

Rep. Lyle Hanson: Who would have to supervise it?

Janet Welk: When someone has taken a course through correspondence, the center for distance learning is actually the instructor of record at that point. They are all qualified teachers. The person who is supervising the course could be any licensed teacher. They would not have to be holding minor which would be the requirement. That would already be done through the center for distance learning.

Chairman Kelsch: For teaching a personal finance or consumer finance class, who is highly qualified?

Janet Welk: At this point it would be a business education teacher or as Greg Gallagher indicated if it were standards based, it could be implemented in through the economics department.

Rep. David Rust: Couldn't a family and consumer science person also teach it?

Janet Welk: That would be correct in the life skills curriculum.

Chairman Kelsch: Rep. Wolf also said an ag teacher could teach it.

Janet Welk: I would have to look through courses. I would have to check.

Rep. Jerry Kelsh: What would the qualifications be for the K-6 or K-9 cases?

Janet Welk: The elementary teacher would be qualified to teach.

Chairman Kelsch: Would the universities be teaching some sort of a unit of personal finance as they are going through their college curriculum?

Janet Welk: That would be correct. It would probably be within the math curriculum.

Chairman Kelsch: A high school math teacher couldn't teach the personal finance?

Janet Welk: I apologize. I thought we were talking the elementary teachers.

Chairman Kelsch: I went back to high school. In the grade school level the math teacher would have that as part of their graduation requirements?

Janet Welk: It would be elementary teachers for elementary. To clarify, the math instructor at the middle and secondary levels could easily incorporate that into a general math course as well.

Rep. David Rust: Highly qualified usually means you need a major in the area. Business and home ec could actually have a minor. Is that not correct?

Janet Welk: That is correct.

The hearing was closed.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1443

House Education Committee

☐ Check here for Conference Committee

Hearing Date: February 5, 2009

Recorder Job Number: 8884

Committee Clerk Signature

Carmen Hunt

Minutes:

Vice Chair Lisa Meier gave thanks for putting this as part of HB 1400 and made a motion for a **Do Not Pass** on HB 1443. The motion was seconded by **Rep. John Wall**.

DO NOT PASS, 12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

Rep. Karen Karls is the carrier of the bill.

FISCAL NOTE
Requested by Legislative Council
01/20/2009

Bill/Resolution No.: HB 1443

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill requires districts to offer ½ unit of consumer finance.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

We are unable to provide information regarding the fiscal effect at this time; however, the following data may be of value:

Of the 170 public high schools, 49 are offering either Business Math or Consumer Education. These 49 districts have a current course enrollment of 963 students in either Business Math or Consumer Education.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Linda Palucki	Agency:	Public Instruction
Phone Number:	328-1718	Date Prepared:	01/22/2009

Date: 2-5-09
Roll Call Vote #: _____

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1443

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☐ Do Pass ☒ Do Not Pass ☐ Amended

Motion Made By Rep Meier Seconded By Rep Wall

Representatives	Yes	No	Representatives	Yes	No
Chairman RaeAnn Kelsch	✓		Rep. Lyle Hanson	✓	
Vice Chairman Lisa Meier	✓		Rep. Bob Hunsakor	✓	
Rep. Brenda Heller	✓		Rep. Jerry Kelsh		
Rep. Dennis Johnson	✓		Rep. Corey Mock		
Rep. Karen Karls	✓		Rep. Phillip Mueller	✓	
Rep. Mike Schatz	✓		Rep. Lee Myxter	✓	
Rep. John D. Wall	✓				
Rep. David Rust	✓				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Rep Karls

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1443: Education Committee (Rep. R. Kelsch, Chairman) recommends DO NOT PASS
(12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1443 was placed on the
Eleventh order on the calendar.

2009 TESTIMONY

HB 1443

Attachment
HB 1443

**Testimony
In Support of
HB 1443**

**House Education Committee
February 3, 2009**

**Kelly Schmidt
ND State Treasurer**

A life of financial success and security begins with a strong education. Every generation is introduced to the reality of spending, saving and finance at a younger age than the last. Yet for years, our nation's financial literacy has not kept pace.

We live in a nation where nearly one-third of high school seniors have credit cards, even more have debit cards, and an average of 1.5 million families file for personal bankruptcy each year. The need for personal financial literacy couldn't ring more loud or clear.

While the national savings rate has hovered around zero for years, consumer debt has soared by 24 percent since 2002 (Source: Federal Reserve). It's as easy to get a credit card today as it is to consume calories. Last year, the typical household received 68 credit card offers – 46 percent more than in 1998 and carried an average balance of \$9,200 (Source: TransUnion, December 2008) 40% more students drop out of college due to money issues including student loan debt and credit card debt than academic failure. (Source: Pratt Financial Group Study)

In 2007, a Charles Schwab survey on teens and money reported that only 45% of teens know how to use a credit card, while just 26% understood credit-card interest and fees. Only 1 in 3 knows how to read a bank statement, balance a checkbook and pay bills. Barely 1 in 5 had an idea how to invest.

More than ever, the financial decisions we make today have a direct effect on the opportunities available to us tomorrow. Our credit score determines the interest rates we pay on our mortgages, the rate of our insurance premiums as well as our ability to get a job. Yes, employers are now checking credit scores when evaluating their applicants.

Financial literacy is an essential life-skill that when instilled at an early age help our youth develop the foundation for making wise financial decisions and becoming financially secure later. Studies reveal that financial education programs taught in schools help young learners know more, save more, and

substantially increase personal confidence with money. Yet, financial education is currently only required learning in twenty states.

Of the 170 public high schools in North Dakota, 49 are offering either Business Math or Consumer Education. These 49 districts have a current enrollment of 963 students in either offering. Though it is offered, our students are not taking the opportunity.

Business math and consumer education courses are considered the non-college bound curriculum. It doesn't make any difference if you strive to be a doctor or a laborer, your need to balance a checkbook and understand the fundamentals of our money- drive society remain the same.

The fundamentals of financial literacy are just as vital to the successful future of North Dakota students as the education of ethics, values and the basic skills of reading, writing and simple arithmetic.

I strong support the advancement of financial education in our schools and hope you will support HB 1443.

Attachment 2
HB 1443

TESTIMONY TO THE HOUSE EDUCATION COMMITTEE

FEBRUARY 3, 2009

HOUSE BILL 1443

Good Morning Madam Chair and members of the Education Committee. My name is Julie Kubisiak and I represent the North Dakota Jump\$tart Coalition as current president. I am appearing today in support of HB 1443 relating to adding a personal finance course as a required high school unit.

Jump\$tart

In August 2006, a group of organizations came together to form the North Dakota Jump\$tart Coalition affiliating with the National Jump\$tart Coalition housed in Washington, D.C. North Dakota was one of two states without a coalition at that point in time. Since that time, our coalition has grown to 35 organizations representing business, government, and education with a mission of improving the financial literacy of all North Dakotans. The Coalition participates in Marketplace for Kids, provides numerous financial presentations, sponsors an annual financial literacy workshop, and members provide a "Financial Friday" segment on the local NBC affiliate's morning program which airs throughout western North Dakota on the last Friday of every month. Last fall, the Coalition teamed up with the University of Mary to help create and present financial literacy information for freshmen students as part of an ongoing project for the school through a national grant. We do not endorse a particular curriculum. Anyone can be a partner in the Coalition – anyone having an interest in financial literacy. There are no dues for membership.

On a biennium basis, the National Coalition provides a survey to randomly selected high schools that have a Jump\$tart Coalition in their state. The survey is both a survey and a test. Comprised of 31 questions, it is completely anonymous – Jump\$tart does not record the identities of the students nor the participating schools. A classroom teacher in a course not related to finance, economics, consumer science, consumer math, or business is the test administer. There are no fees charged to the teacher or the school to participate. The survey and postage are all supplied by the National Coalition. As a token of Jump\$tart's appreciation, a nominal gift card is awarded to the teacher for administering the survey/test. At least 10 schools must participate in a state in order to obtain state specific data relating to the scores of the tested students. 2008 was the first year that ND became eligible to participate in the survey. Six North Dakota schools participated; therefore, ND did not receive state specific data relating to test scores.

National Jump\$tart Survey 2008 Results

The national scores indicated that the 2008 high school senior class ranked lower than their 2006 peers. High school students answered only 48.3 percent of the questions, a decrease from the seniors in 2006 which correctly answered 52.4 percent of the questions. Among high school students, those who scored 27 and above on their ACT college entrance exam correctly answered 59 percent of the questions, while seniors with ACT scores 20 and above answered just 43 percent of the questions correctly. In 40 states, 6,586 high school seniors participated.

2008 was also the first year that college students participated in the survey. The results indicated higher scores than their high school counterparts with 62 percent of the questions answered correctly. Scores among college students increased with their rank in school – college freshman scored a 59 percent score, while college seniors correctly answered 65 percent of the questions. Participation consisted of 1,030 full-time college students.

What does this information mean? To me, it means more preparation needs to be provided to increase the financial knowledge of our residents. An early and repeated investment in financial education lays a solid foundation for individuals. It is even more critical in tough economic times. Requiring a ½ unit of consumer finance will benefit high school students as they plan for their future. Let's ensure that they learn financial literacy information in a classroom versus learning money management the hard way.

I would be happy to respond to any questions that the committee may have at this time.

Attachment 3
HB 1443

TESTIMONY on HB 1443
By Greg Gallagher
Department of Public Instruction
February 3, 2009

Madam Chairman and Members of the House Education Committee,

I am Greg Gallagher, Director of Standards and Achievement, within the Department of Public Instruction. I am here to provide information on HB 1443, to propose a consolidation among related bills introduced this session concerning the general high school coursework requirements within NDCC 15.1-21-02, and to provide an amendment.

HB 1443 provides for the addition of a one-half unit course offering of consumer finance within NDCC 15.1-21-02 and makes such an offering a requirement of any approved high school. A course offering requires that a school allow students to select certain course units over the course of their high school career, unless a course unit offering is specified (e.g., one-half credit physical education annually with at least one concept-based fitness course quadrennially), and for a school to provide that course unit through a variety of delivery methods. A course offering does not require that any students actually take the course, aside from those who specifically request the course. It is possible for a course offering to never actually be taught if students were not to specifically request it. NDCC 15.1-21-02.2 specifies what types of course units a high school graduate must actually complete.

HB 1443 is one of several bills and resolutions that attempt to update NDCC 15.1-21-02 regarding required course offerings at the high school level. HB 1443 adds a one-half unit course in consumer finance. HB 1564 adds a one-half unit course in personal finance, among other changes to the high school diploma requirements (NDCC 15.1-21-02.2). HCR 3016 urges local school districts to offer students a course in financial literacy. These bills and resolutions express a clear concern that all students acquire financial literacy.

Additionally, HB 1435 defines a one-half unit on United States government with a requirement to cover specific public documents. And Sections 9 and 10 of HB 1400 establish additional foreign or native language offerings and new graduation diploma requirements for all students. Although these bills do not address personal financial

literacy, they do address specific curricular offerings and graduation expectation that contribute to the broad policy concerns of what students should know and be able to do.

In light of the recent efforts of the Commission on Education Improvement to address the issue of broad educational adequacy within the state's education system, some which have bedeviled education improvement efforts for years, the Department proposes that the House Education Committee consolidate HB 1443, HB1564, HB 1435, Sections 9 and 10 of HB 1400, and HCR 3016 to provide a unified, integrated remedy to NDCC 15.1-21-02 regarding course unit offerings and NDCC 15.1-21.02.2 regarding high school graduation requirements.

The following comments specifically address HB 1443.

The Department of Public Instruction supports the inclusion of personal financial literacy to all students across the curriculum. The Department believes that this aim can best be achieved by generalizing personal financial instruction across all grades, K-12, thereby instilling a long-term exposure and acquired proficiency in this important life skill. The Department believes that personal financial literacy is of sufficient importance as to incorporate its study across all grades. To accomplish such an aim, the Department recommends that personal financial literacy content standards be developed and incorporated within the state's social studies content standards, either within the economics strand or as a separate strand. Although any number of solutions might be proffered, incorporating personal financial literacy within the state's economics standards, which apply to all grade levels, would be a sufficient and comprehensive resolution.

The Department explored the possibility of incorporating personal financial literacy skills within the now-current state social studies content standards, during its 2005-2007 development cycle. Despite their best efforts to address this concern, the committee of statewide educators eventually abandoned the effort, because it would have undesirably delayed the social studies development schedule and expanded the complexity of their charge. The Department reluctantly accepted this recommendation. The Department did release the final state social studies content standards, which include North Dakota studies content standards, in 2007. Since that time, the Department has lost its ability to fund the development of certain subject content standards, including personal finance literacy standards, since the federal funding of Title V Innovative Grants under the Elementary and Secondary Education Act have been eliminated by Congress. The Department has no funding to advance such an effort.

The Department believes it may be in the state's best interest to provide funding language within HB 1013, the Department's budget bill, to fund the development of personal financial literacy content standards for inclusion as a strand of the state's social studies content standards, specifically its economic standards strand. The Department anticipates that the development of state personal literacy content standards will require an approximate \$235,000 biennial allocation and approximately 18 months to complete, based on previous content standards development activities.

If the state were to conduct this development activity and personal finance literacy skills were to be incorporated within the state's social studies content standards, then there would exist sufficient authority for personal financial literacy to be a state requirement. NDCC 15.1-21-02 (3) states, "Each unit which must be made available under this section must meet or exceed the state content standards." The policy aim of including personal financial literacy would be achieved.

The Department recommends that the House Education Committee consider removing extraneous language from the current NDCC to better underscore the relevance and importance of NDCC 15.1-21-02(3). If all course unit offerings are to meet or exceed the state content standards, which include the broad and specific elements of a rigorous and well-rounded education, then there exists no reason for additional restrictive language to obfuscate the impact of the state's content standards.

The Department recommends amending the current NDCC 15.1-21-02 to remove restrictive language. For instance, the Department recommends removing any specific type of history classes (i.e., world history or United States history) within the social studies course requirements. These historical references are already present within the state's social studies content standards and, given the impact of NDCC 15.1-21-02 (3), they are extraneous, restrictive, and perhaps misdirect the balance of the state's content standards. The Department recommends further expanding this principle to the elementary and secondary schools' instructional offerings within NDCC 15.1-21-01. The state's content standards already define and detail the broad subject instructional units listed in statute. NDCC should set broad instructional unit policy aims and affirm the paramount importance of the state's content standards to define curricular objectives, without emphasizing selective course units which introduce confusion or conflict into the balance of the curriculum established within the state's content standards. The Department provides amendments to achieve these policy aims.

As a final note, any possible consideration of elementary, middle, and high school instructional units must be mindful of their foundation on the state's content and achievement standards. Our state's standards-based assessments allow some means for us to measure true student performance in English language arts, mathematics, and science. For high schools, the state's graduation requirements establish the ultimate expectations for what students should know and be able to do. However, without any true student assessments in our last two years of instruction, we are woefully blind to what students really know or are able to do upon exiting high school. The state should embrace its emerging policy goal of educational adequacy by measuring true student achievement, not by measuring instructional seat time. For the additional funds being invested into the state's educational system, student achievement in terms of our standards is our ultimate measure, not the provision of instructional units or time on task.

Madam, Chairman, this concludes my testimony. I am available to answer any questions from the Committee. Thank you.

Proposed Amendments to HB 1443

1. Page 1, line 11: after "studies" insert " ;"
delete ", including one of world history and
one of United States history ;"
2. Page 1, line 14: after "year" insert " ;"
delete ", provided that once every four years
the unit must be a concept-based fitness
class that includes instruction in the
assessment, improvement, and
maintenance of personal fitness ;"
3. Page 1, line 18: after "arts," delete "at least one of which
must be music ;"
4. Page 1, line 20: delete "i. One-half unit of consumer finance;
and"
5. Page 1, following line 21:

insert "2. In addition to the requirements of subsection 1, each public and nonpublic high school shall make available to each student, at least once every two years, one-half unit of North Dakota studies, with an emphasis on the geography, history, and agriculture of this state."

6. Amend 15.1-21-01 as follows:

15.1-21-01. Elementary and middle schools – Required instruction.

In order to be approved by the superintendent of public instruction, each public and nonpublic elementary and middle school shall provide to student instruction in:

1. English language arts, including reading, composition, creative writing, English grammar and spelling.
2. Mathematics.
3. Social studies, including:
 - ~~a. The United States Constitution;~~
 - ~~b. United States history;~~
 - ~~c. Geography;~~
 - ~~d. Government; and~~
 - ~~e. North Dakota studies, with an emphasis on the geography, history, and agriculture of this state, in the fourth and eighth grades.~~
4. Science, including agriculture.
5. Physical education.
6. Health, including physiology, hygiene, disease control, and the nature and effects of alcohol, tobacco, and narcotics.

Each instructional unit must meet or exceed the state content standards.

Renumber sections and pages accordingly.

CHAPTER 15.1-21 CURRICULUM AND TESTING

15.1-21-01. Elementary and middle schools - Required instruction. In order to be approved by the superintendent of public instruction, each public and nonpublic elementary and middle school shall provide to students instruction in:

1. English language arts, including reading, composition, creative writing, English grammar, and spelling.
2. Mathematics.
3. Social studies, including:
 - a. The United States Constitution;
 - b. United States history;
 - c. Geography;
 - d. Government; and
 - e. North Dakota studies, with an emphasis on the geography, history, and agriculture of this state, in the fourth and eighth grades.
4. Science, including agriculture.
5. Physical education.
6. Health, including physiology, hygiene, disease control, and the nature and effects of alcohol, tobacco, and narcotics.

15.1-21-02. High schools - Required units.

1. In order to be approved by the superintendent of public instruction, each public and nonpublic high school shall make available to each student:
 - a. Four units of English language arts;
 - b. Four units of mathematics;
 - c. Four units of science;
 - d. Four units of social studies, including one of world history and one of United States history;
 - e. One-half unit of health;
 - f. One-half unit of physical education during each school year, provided that once every four years the unit must be a concept-based fitness class that includes instruction in the assessment, improvement, and maintenance of personal fitness;
 - g. Two units of fine arts, at least one of which must be music;
 - h. Two units of the same foreign language; and
 - i. Two units of career and technical education.

2. In addition to the requirements of subsection 1, each public and nonpublic high school shall make available to each student, at least once every two years, one-half unit of North Dakota studies, with an emphasis on the geography, history, and agriculture of this state.
3. Each unit which must be made available under this section must meet or exceed the state content standards.
4. For purposes of this section, unless the context otherwise requires, "make available" means that:
 - a. Each public high school and nonpublic high school shall allow students to select units over the course of a high school career from a list that includes at least those required by this section;
 - b. If a student selects a unit from the list required by this section, the public high school or the nonpublic high school shall provide the unit to the student; and
 - c. The unit may be provided to the student through any delivery method not contrary to state law and may include classroom or individual instruction and distance learning options, including interactive video, computer instruction, correspondence courses, and postsecondary enrollment under chapter 15.1-25.
5. The board of a school district may not impose any fees or charges upon a student for the provision of or participation in units as provided in this section, other than the fees permitted by section 15.1-09-36.
6. If in order to meet the minimum requirements of this section a school district includes academic courses offered by a postsecondary institution under chapter 15.1-25, the school district shall:
 - a. Pay all costs of the student's attendance, except those fees that are permissible under section 15.1-09-36; and
 - b. Transport the student to and from the location at which the course is offered or provide mileage reimbursement to the student if transportation is provided by the student or the student's family.
7. The requirements of this section do not apply to alternative high schools or alternative high school education programs.
8. The requirements of subdivisions g and h of subsection 1 do not apply to the North Dakota youth correctional center.

15.1-21-02.1. High school graduation requirements. Before a school district, a nonpublic high school, or the center for distance education issues a high school diploma to a student, the student must have successfully completed at least twenty-one units of high school coursework from the minimum required curriculum offerings established by section 15.1-21-02. Beginning with the 2009-10 school year, the number of units required by this section increases to twenty-two and beginning with the 2011-12 school year, the number of units required by this section increases to twenty-four.

15.1-21-02.2. High school coursework requirements.

1. Beginning with the 2008-09 school year, no student may graduate from a high school in this state unless the student demonstrates successful completion of the following:

- a. Four units of English language arts;
 - b. Two units of mathematics;
 - c. Two units of science;
 - d. Three units of social studies, which may include one-half unit of North Dakota studies and one-half unit of multicultural studies;
 - e. One unit of physical education, which may include up to one-half unit of health; and
 - f. One unit of a foreign or native American language, fine arts, or career and technical education.
2. The superintendent of public instruction shall work with each school district to identify course offerings that meet the requirements of subdivisions a through f of subsection 1.
3. Before September first of each year, each school district shall file a copy of its graduation requirements with the superintendent of public instruction.
4. A school district may not reduce its graduation requirements below those in existence on June 30, 2007.

House Bill 1443

Testimony of North Dakota Securities Commissioner Karen Tyler

Before the Education Committee

February 3, 2009

Madam Chairman and Members of the Committee, Good Morning. I am Karen Tyler, the State Securities Commissioner. It is a pleasure to share some time with you this morning and voice my support for House Bill 1443 and for helping our young citizens begin to build a solid foundation of financial knowledge.

The primary mission of the Securities Department is to protect North Dakota Investors who purchase securities and investment advise and to administer of the North Dakota Securities Act (10-04). We support this mission through our efforts in four functional areas:

- 1) Regulation of the Capital Formation Process
- 2) Registration of Securities Industry Firms and Professionals
- 3) Examinations, Investigations and Enforcement Actions
- 4) Investor Education and Financial Literacy Initiatives

The delivery of financial education to our citizens of all ages is a priority objective of the Department. We view financial education as a preventative mechanism critical to our Investor Protection mandate and we view it as the first and best defense against investment fraud. Financial education helps our citizens build the knowledge they need to make good personal financial decisions. The ability to make good financial decisions can make the difference

between our young citizens becoming productive economic contributors, or becoming dependent on government-provided services. And I firmly believe there is a direct correlation between the financial decision-making aptitude of our citizens and the economic health of our families, our communities, our state and the country overall.

The Securities Department clearly recognizes that our greatest allies in this endeavor to deliver financial education to our young people are the men and women in the trenches, our teachers in the classroom. And as we seek them out as partners in this process, we are mindful of the pressures they face in the classroom, so our approach has been to provide them with resources that can be easily integrated into a standards based curriculum. While this integration approach has worked well, we believe a dedicated course would be even more effective.

The Hallmark of the Department's programs is Invest North Dakota Teacher Training Academy held every summer at the University of Mary. The Academy, now in its 14th year, provides our teachers with the training and resources they need to integrate financial education into the classroom curriculum. Over 1700 North Dakota teachers have participated in this event since its inception, and we have reached 335 schools in all counties in the state. (70%)

And I would also mention that a special invitation goes out to all administrators in all school districts welcoming them to attend the event as well.

For the Academy each year we bring in approximately 100 teachers, both elementary and secondary, and over the course of the week-long event, provide them with training, tools, and

resources that they can take back to the classroom and utilize in their efforts to teach personal finance concepts. The topics we cover with our teachers include such things as:

How to teach personal finance and economic concepts to students in Kindergarten through 6th grade; How to safely utilize internet applications in the classroom; training on a variety of personal finance curriculums designed for jr. high and high school students; we dedicate one day of the event to presentations by securities industry professionals who volunteer their time to work with our teachers. This segment is always a favorite with our teachers and is valuable to them both personally and professionally and covers such things as asset allocation, diversification and investment alternatives. We bring in a representative from the Teachers Fund for Retirement to discuss fund performance and answer any questions the teachers may have about their retirement plan. We provide training on the Stock Market Game and how to utilize the Wall Street Journal Classroom Edition. The Stock Market game is an effective teaching tool to increase understanding of the stock market, the costs and benefits involved in economic decision-making, the sources and use of capital and other related economic concepts. Another program that we feature is the High School Financial Planning Program, and we are always pleased to have Dr. Debra Pankow from the NDSU Extension service join us to teach this curriculum. Two years ago we introduced a new program called Mad About Money – an interactive theater production/comedy performance by the National Theater for Children that covers saving, budgeting, investing and the wise use of credit. It is accompanied by classroom follow-up and an exercise with parents as well and it has truly been a hit with our schools and teachers.

I would also like to share with you some statistics about follow-through from the Academy and also some thoughts directly from our Teachers about the importance of making financial education a part a student's education experience.

In March of 2008, a survey was mailed to all teachers who had attended our Invest North Dakota Teachers Academy since 1996. The purpose of the survey was to congratulate these teachers for participating in our seminar and to determine to what degree the Academy impacted their efforts to include personal finance education in their curriculums.

Approximately 1100 surveys were mailed and we netted a return of about 15%. A 15% return is considered to be, by most marketing firms, an above average response, with a 10% return to be average.

100% of the respondents felt that personal finance education is an important component for our young people's education and 94% believed that they should play a role in providing personal finance education to their students. Those who were unsure or answered negative to this question were teachers that were not in a position to participate because of the curriculums they teach.

83% of the teachers are currently incorporating personal finance education in their curriculums and, by looking at the curriculum resources they are using, you will notice that almost all of them come from the Invest North Dakota sessions they attended. They are

also proving that personal finance education can be taught in many subject areas as the surveys returned indicated all grade levels and 21 subject areas.

Teacher Testimonials:

Being part of this Invest ND class has been a huge learning experience. I came with the anticipation of learning much about finance and investments and I am leaving with no disappointments at all. I have gained many many ideas of how these facts can be integrated into even the youngest classrooms. Since I teach First Grade, I have decided to implement the most basic facts about economics to them at the start of this coming school year.

This week at Invest ND has given me a “shot in the arm” - that inspirational renewal which I need as a teacher to go back to my classroom and get students enthused about learning. I truly believe that this is one of the most important, if not the most important, areas of education for our students. It is one which will impact their lives forever.

Until I attended this conference, I never thought much about financial literacy or that it would have a place in the school curriculum. However, after this week, I see how absolutely vital this education is to our children and even to our country’s future. I intend to spread the word about this conference to other educators and to share what I have learned here with my future students and family as well.

I am making it my goal this year to teach a finance/economics unit to my sixth graders. I don't remember anyone teaching me about saving, investing, etc., so it has affected me tremendously that this topic is extremely important to teach.

I found this conference to be exceptional. I am so excited to share what I have learned with my students. I'm going to encourage other teachers in our school to come to this in the future. I don't feel that I had a good financial education and made some very poor choices as a result. I wish I had known this when I got out of high school.

By attending Invest ND Teachers Academy I learned a wealth of information. I would encourage all teachers to attend this workshop. I now have a better understanding of money. It is amazing to see the number of resources available to teach students the importance of managing money. I wish they would have been available when I was in school, I would have done things differently.

First, the idea that everyone needs to learn about money at a young age is key. Talking about money (the value of it, choices for it, etc.) in my fourth grade classroom will be a start. The big message I got was that children need to be educated about money at an early age. The more they know early on, the better their choices will be as they get older. As a fourth grade teacher, I can help inform and educate.

Financial education is the most important factor in reducing bankruptcies, the number of children failing to become self-sufficient, and individuals living paycheck to paycheck. By having all

parties on board (students/parents/teachers), together we can make a difference in educating our students with the proper tools, which will allow them to make life-long sound choices, be responsible and be an active citizen in our society. The results will be a win-win situation for all parties involved.

In closing my remarks, I again want to reiterate my support for making financial education a dedicated component of a student's high school curriculum and I also want to offer to the Committee the assistance of the Department as you proceed with your dialog on the issue. Thank you for your time and I would be happy to answer any questions you may have.