

# Pandemic spurs interest in teaching financial literacy in U.S. high schools

By Ann Carrns

© The New York Times Co.

Two dozen state legislatures are considering bills on financial-literacy education — an unusually high number, proponents say.

They attribute the interest to concern about the burden of student debt, as well as heightened awareness about income and economic inequality as a result of the pandemic.

“There’s a recognition that folks are being left behind,” said Tim Ranzetta, founder of Next Gen Personal Finance, a nonprofit group that creates free courses and funds training for high school teachers.

Next Gen compiled a list of bills submitted for consideration in 25 states. It’s unclear how many will pass, Ranzetta said.

As of early 2020, high school students in 21 states were required to take a personal-finance course to graduate, according to the Council for Economic Education, which promotes economic and personal-finance education for students in kindergarten through high school. That was a net gain of four states since the council’s previous count two years earlier.

“We are making progress,” said Billy Hensley, president and CEO of the National Endowment for Financial Education, a nonprofit group that promotes effective financial education.

“I do think the pandemic is bringing more attention to the topic,” he said, noting that after the financial crisis more than a decade ago, there was also a flurry of financial-literacy proposals in state legislatures.

An increasing number of studies support the effectiveness of financial literacy education when taught by well-trained teachers, said Nan Morrison, CEO of the Council for Economic Education.

And more teachers now say they feel confident teaching the material.

A study released in March by researchers at the University of Wisconsin and Montana State University found significant increases in teacher participation in professional development.

Still, the rigor of high school financial education varies. Just six states require high school students to complete a semester-long, stand-alone, personal-finance course, the coun-

cil’s 2020 report found. Some states permit shorter courses or include the content as part of another class.

In states that don’t require financial instruction, some schools opt to teach it and do an excellent job, but others ignore the subject completely — and they tend to be schools in less-affluent districts, Hensley said.

In the latest round of legislative proposals, some states are merely encouraging the teaching of financial skills while a few would make the subject a graduation requirement. Ohio, for instance, was considering a proposal that would require high school students to pass a half-credit class in personal finance in order to graduate. The class must be taught by a teacher trained in the subject matter.

The bill would also create a fund to help pay for training to teach the subject, said Ohio Sen. Steve Wilson, a Republican and former banking executive who co-sponsored the bill.

“Kids come out of school having no clue about financial literacy,” Wilson said. “You go out into the world greatly disadvantaged.”

Many financial-literacy advocates consider a full-

semester course the gold standard for personal finance instruction. Rebecca Maxcy, director of the Financial Education Initiative at the University of Chicago, said many courses focused mainly on skills, such as writing a check or filing taxes. While those lessons can be helpful, she said, it’s important for courses to include discussions of how personal values and attitudes about money influence behavior, as well as an examination of the financial systems and potential barriers that students will encounter in the world of money.

Questions such as “Who benefits when you open a bank account?” can prompt meaningful discussions, she said.

Several groups, including the Council on Economic Education, provide guidance on quality educational materials. The council publishes national standards and benchmarks; the University of Chicago’s Financial Education Initiative has created a list of characteristics for “high quality” financial education; and the JumpStart Coalition, a nonprofit group, maintains a list of educational programs.