

# STABILIZING *the* FINANCIAL HEALTH OF KANSAS



## 2003 Legislation

In 2003, Kansas lawmakers enacted legislation to enhance financial education coursework offered in public schools. SB 74 required the Kansas Department of Education to develop a curriculum, materials and guidelines that could be used by local school districts for instruction on personal financial literacy. Under the law, the State Board of Education is required to develop standards and objectives for personal financial literacy for all grade levels within the curriculum for math or another appropriate subject area. The Board is also required to encourage school districts to select textbooks with substantive provisions on personal finance for math, economics or similar courses.

## 2009 Legislation

In an effort to strengthen the requirements for teaching personal financial literacy in Kansas schools, additional legislation was adopted in 2009. This legislation requires that financial literacy questions be included in state assessments as a way to measure comprehension of personal finance issues. However, this legislation is hampered by the fact that many Kansas teachers lack access to the professional development opportunities they need to adequately teach personal financial literacy in our classrooms.

The financial health of our state relies not only the ability of policymakers to effectively manage the state's budget, but also on the ability of Kansans to effectively manage their personal finances.

Many young adults struggle in their first attempts to manage personal finances. But, as our world becomes more financially complex and consumers decipher a growing number of credit and lending options, learning by trial-and-error can set our next generation up for a lifetime of financial challenges. We can ensure that more Kansans are equipped with the skills they need to make wise financial decisions by providing Kansas teachers with the training and resources they need to educate school-age children on consumer finance issues.

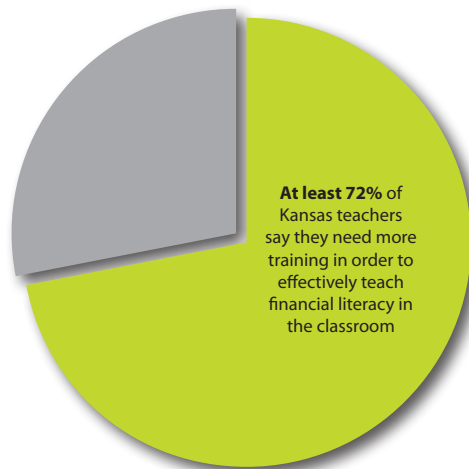
### **Kansas teachers lack training on financial literacy**

Kansas law encourages school districts to include personal financial literacy in the curriculum for students of all ages. However, a survey conducted by the Kansas Department of Education shows that more than 72 percent of Kansas teachers feel that more training is needed to effectively teach personal financial literacy.

### **A surcharge would provide funding for financial literacy training**

Funding for professional development opportunities in personal financial literacy can be accessed by establishing a surcharge on payday and car title loans. These short-term, high-cost loans often contribute to the financial problems experienced by young

### **TEACHING FINANCIAL LITERACY** *Professional development opportunities for teachers*



adults. By placing a modest \$1 surcharge on each car title and payday loan made in Kansas, about \$1.2 million dollars would be generated for professional development.

### **Improving financial literacy will improve financial outlook for Kansas**

Research indicates that increased knowledge and understanding of personal finance issues results in improved financial behaviors. While personal financial literacy is taught at varying levels in Kansas schools, there is still a demonstrated lack of professional development for teachers in this area. Implementing a surcharge on payday and car title loans will generate funding for school districts to offer professional development opportunities to their teachers related to this increasingly critical subject matter. Improving financial literacy among our future generations will result in a stronger financial outlook for our state.



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