



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5190 (Substitute S-2 as reported)
Sponsor: Representative Diana Farrington
House Committee: Education
Senate Committee: Education and Career Readiness

CONTENT

The bill would amend the Revised School Code to do the following:

- Prohibit a school district or public school academy (PSA) from awarding a high school diploma to a pupil, beginning with pupils entering grade 8 in 2023, unless the pupil successfully completed a course in financial literacy that satisfied the bill's requirements.
- Require the Department of Education (MDE) to develop a half-credit course in personal finance.
- Specify that the half-credit in personal finance could be fulfilled through an MDE-approved formal career and technical education program or curriculum that aligned with the subject area expectations developed by the MDE and approved by the State Board.
- Specify that the half-credit economics course requirement prescribed in the Code could not be fulfilled with the completion of the half-credit course in personal finance.
- Delete provisions allowing districts to apply for a contract that waives certain State or Federal requirements.

MCL 380.1278a & 380.1278b

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill would have a negative fiscal impact on State and local government. The MDE would experience administrative costs to update the content expectations to include a half-credit course in personal finance for graduation. The one-time costs could be greater than current appropriations to complete the content expectations for the 2022-23 school year for incoming grade 8 pupils.

Local school districts and PSAs would experience additional costs to adjust their course offerings to include the half-credit course in personal finance for all students. Since this would be a new requirement for all students for a new subject area, instead of adding requirements or options to existing subject areas, the costs likely would be greater and could require the hiring and training of additional staff and necessary materials. The costs are indeterminate and would depend on existing scheduling, resources, and staffing for each school and the amount necessary to meet the new graduation requirement.

Date Completed: 5-19-22

Fiscal Analyst: Cory Savino, PhD