

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:30 p.m. on February 9, 2009, in Room 545-N of the Capitol.

All members were present except:

Senator Anthony Hensley- excused
Senator Tim Huelskamp- excused
Senator John Vratil- excused

Committee staff present:

Theresa Kiernan, Office of the Revisor of Statutes
Matt Sterling, Office of the Revisor of Statutes
Martha Dorsey, Kansas Legislative Research Department
Sharon Wenger, Kansas Legislative Research Department
Dorothy Gerhardt, Committee Assistant

Conferees appearing before the committee:

Melody McCray-Miller, Representative
Carol Rupe
Michelle Kaberline, State Treasurer's Office
April Holman, Kansas Action for Children
Mark Desettie, Kansas National Education Association
Whitney Damron, Kansas Community Financial Services Association, Inc.
Barbara J. Railsback, Ph.D.
Diane Gjerstad, Wichita Public Schools
Casey Doty, Director, Arkansas City Recreation Commission
Steve Friend, Director, Baldwin City Recreation Commission

Others attending:

See attached list.

Hearing on SB 84 - School districts; personal financial literacy; statewide assessments

Theresa Kiernan, Office of the Revisor of Statutes, presented a short summary of **SB 84** which amends the current provision of law which directs the State Board of Education to assist school districts in the implementation of personal financial literacy courses or programs. The first amendment expands the scope of the program; it would add a longer list of what the program would involve. Also, in subsection (b) it directs the State Board to adopt a glossary of financial literacy terms which would be used by school districts when they implement the program on financial literacy. Finally, in subsection (e), it directs the State Board of Education to include questions relating to personal financial literacy in the statewide assessments for mathematics or social studies. Under current law, completion of a course in personal financial literacy is not required for graduation.

Melody McCray-Miller, Representative (Attachment 1), appeared before the committee in support of **SB 84**. She feels the law enacted in 2003 produced a strong foundation for the financial literacy program across the state. However, for Kansas students to become truly financially literate with knowledge of financial planning and budget preparation, all districts need to follow through on the initial intent of the law. She reported in a 2003 study produced by the National Credit Union Association, approximately 7% of districts consistently provided financial literacy education. She feels a lack of consistency in teaching as well as agreed-upon outcomes for students across the state's school districts has resulted in students being less prepared for their economic future. She feels **SB 84** will move the state closer to assuring all students graduating from accredited programs in Kansas will be financially literate.

In discussion which followed, it was pointed out the 7% was a state-wide number and that a follow-up study since 2003 had not been conducted. Senator Abrams suggested the words "state curriculum" be inserted in subsection (c) in front of "standards" in line 3 and dropping the next three words so that it would read "develop state curriculum standards for personal financial". He felt the words "state curriculum standards" meant something specific to the State Board of Education and was a consistent term used

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throughout curriculum discussions. He also felt in subsection (e), line 2 “FACS” should be added to give school districts more latitude in choosing where personal financial literacy would be taught.

Carol Rupe, a former member of the State Board of Education, also testified in support of **SB 84**. She stressed financial literacy should be taught at all grade levels and school districts should be allowed to present it in any area. It was also her opinion that accountability should be a part of the bill and that it should be a part of state-wide assessment testing.

Michelle Kaberline, State Treasurer’s Office ([Attachment 2](#)), also testified in support of **SB 84**. She stressed the importance of teaching financial literacy at all grade levels and that questions relating to personal financial literacy be included in the statewide assessments for mathematics or social studies.

April Holman, Kansas Action for Children ([Attachment 3](#)) spoke in support of **SB 84** also. KAC is a not-for-profit child advocacy organization which promotes policies that aid family economic stability. It is their opinion that one of the most important ways that we can help families is through public policies that encourage the ownership of assets. In order to make sound financial decisions, personal financial literacy is needed.

Larry Magill, Kansas Association of Insurance Agents, (written only) ([Attachment 4](#)) and Haley Davee, Kansas Credit Union Association, (written only) ([Attachment 5](#)) each provided written testimony in support of **SB 84**.

Mark Desettie, Kansas National Education Association, ([Attachment 6](#)) presented testimony in opposition to **SB 84**. The reasoning for opposition to the proposed legislation is they feel the bill goes beyond the requirements in force. It is their belief that setting state standards and assessments is the duty of the elected State Board of Education and its’ various advisory committees. They believe that such a duty should not be micro-managed by the legislature.

Whitney Damron, Kansas Community Financial Services Assn., Inc., ([Attachment 7](#)) presented testimony in opposition to the bill. Although he stated they support the intent and direction of **SB 84**, they feel the language in Section 1 (a)(7) unfairly ties payday lending to predatory lending. They feel this section should be re-written to read “understanding loans and borrowing money, including predatory lending”.

Barbara J. Railsback, Ph.D. ([Attachment 8](#)) presented testimony in support of the legislation as well as in opposition as it is currently written. She feels changes need to be made to include personal finance as a part of the K-12 curriculum. She opposes the bill as she feels qualified business teachers should be required to teach the class, not math teachers. She feels it must be a requirement for grades 11 and 12 as well as for high school graduation.

Diane Gjerstad, Wichita Public Schools, ([Attachment 9](#)), spoke in opposition to **SB 84**. Her argument included the fact that if financial literacy was a requirement in high schools, the colleges of education in the state should be partners in the endeavor by including this academic area within new teacher curriculum and embedded in advanced level course work. If the policy of the state is to expect students to better understand the issues and importance of finances, it would be reasonable for teacher preparation programs to include financial literacy.

There were no other conferees to appear before the Committee.

The hearing on **SB 84** was closed.

Hearing on SB 161 - Recreation commissions; petty cash funds

Senator Steve Abrams gave a brief report on **SB 161**. As the law now stands, recreation commissions are not allowed a petty cash fund for use in day-to-day operations. This proposal would specifically allow recreation commissions to establish a petty cash fund. Casey Doty, Director, Arkansas City Recreation Commission, ([Attachment 10](#)) and Steve Friend, Director, Baldwin City Recreation Commission, ([Attachment 11](#)) each testified in support of **SB 161**.

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There were no other conferees to appear before the Committee.

The hearing on **SB 161** was closed.

Senator Teichman moved the committee recommend **SB 161** favorable for passage. The motion was seconded by Senator Abrams. Motion carried on a voice vote.

The next meeting is scheduled for February 10, 2009.

The meeting was adjourned at 2:35 p.m.