Legislation Details (With Text)

File #:	Res 0483-2023	**Version:**	*	**Name:**	Requiring high schools to provide and students to take and complete a financial literacy class as a condition to graduate. (S.5827-B)
Type:	Resolution			**Status:**	Filed (End of Session)
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On agenda:	2/2/2023				
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Title: Resolution calling upon the New York State Legislature to pass and Governor to sign S.5827-B, requiring high schools to provide and students to take and complete a financial literacy class as a condition to graduate.

Sponsors:

Indexes:

Attachments: 1. Res. No. 483, 2. February 2, 2023 - Stated Meeting Agenda, 3. Hearing Transcript - Stated Meeting 2-2-23, 4. Minutes of the Stated Meeting - February 2, 2023

Date	Ver.	Action By	Action	Result
2/2/2023	*	City Council	Introduced by Council	
2/2/2023	*	City Council	Referred to Comm by Council	
12/31/2023	*	City Council	Filed (End of Session)	

Res. No. 483

Resolution calling upon the New York State Legislature to pass and Governor to sign S.5827-B, requiring high schools to provide and students to take and complete a financial literacy class as a condition to graduate.

By Council Member Lee, the Public Advocate (Mr. Williams) and Council Members Joseph, Restler, Riley, Brewer, Avilés and Ung

Whereas, A 2018 survey by the Financial Industry Regulatory Authority found that in New York, 28% of credit card holders only made minimum monthly payments in some months, 41% of individuals did not have savings to cover expenses for three months in an emergency, 12% owed more on their home than it was worth, and 11.5% of older adults live in poverty, compared to 9.7% nationally, all areas that can be improved if New Yorkers are taught financial literacy while in high school; and

Whereas, The survey additionally found that 2.5 million New Yorkers owed over $37,600 in federal student loan debt in 2020, slightly more than the national average; and

Whereas, The Consumer Financial Protection Bureau has found that carefully implemented high school

financial education requirements are linked to improved credit scores and lowered probability of delinquency in young adults in select states with financial education requirements, while voluntary programs are less likely to be adopted by schools; and

Whereas, Research has shown that far too many students, especially those from low income backgrounds, do not receive personal finance education during high school but are expected to make long-term decisions about student loans and budgeting immediately after graduating high school; and

Whereas, The goal of financial literacy is to establish a feeling of control over personal finances, using money as a tool to freely make choices to build greater life satisfaction, enabling individuals to navigate unexpected issues such as job loss, avoiding and managing debt, working towards a secure retirement, and enabling individuals to set and work towards financial goals; and

Whereas, The United States Department of the Treasury found that students who receive K-12 financial education achieve significantly higher savings and net worth later in life; and

Whereas, The American Public Education Foundation graded New York with a "D" rating on the Nation's Report Card on Financial Literacy; and

Whereas, Based on the Office of the New York State Comptroller's 2022 audit of five New York State agencies, including the Department of Financial Services (DFS), the Department of State (DOS), the NYS Office for the Aging (NYSOFA), the Office of Temporary and Disability Assistance (OTDA), and the State University of New York (SUNY), found that the State had not developed a coherent strategy or made a concentrated effort to offer financial literacy education and information to the public; and

Whereas, New York requires high school students to take a half-credit economics course - such as "Economics, the Free Enterprise System, and Finance"- but does not require any coursework at all in financial literacy; and

Whereas, High-school graduates should enter adulthood with a basic understanding of personal finances, and New York can help ensure that every student, regardless of socioeconomic status, is equipped to

make informed personal financial decisions; and

Whereas, In the 2021-2022 legislative session, New York State Senator Leroy Comrie introduced legislation (S.5827-B) requiring high schools to provide a course in financial literacy and require students to take and complete such courses as a condition of graduation; and

Whereas, The pass/fail financial literacy course required by the state legislation would provide instruction on several topics, including personal budgeting, wages and taxes, self-employment, savings and investments (stocks, bonds, and mutual funds), debt management, checking accounts, credit cards, credit scores, saving for education and retirement, insurance, rights and obligations as a tenant, borrowing money to buy automobiles and homes, the benefits and drawbacks of leasing and purchasing automobiles, and the benefits and drawbacks of renting and buying homes; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass and the Governor to sign S.5827-B, requiring high schools to provide and students to take and complete a financial literacy class as a condition to graduate.

PS
LS #10842
11/16/22