Financial Literacy Education About to Become Mandatory in Oklahoma High Schools

February 24, 2014 - Beginning in May, the State of Oklahoma will begin requiring high school students to pass a course on managing personal finances before they can graduate. Although a small number of other states and jurisdictions have financial education requirements, Oklahoma's appear to be the most comprehensive so far.

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The new program is being implemented as a result of a 2007 law called the Passport to Financial Literacy Act that was passed by the state legislature. According to the State Department of Education, "The intent of personal financial literacy education is to inform students how individual choices directly influence occupational goals and future earnings potential. Successful money management is a disciplined behavior and much easier when learned earlier in life."

The law requires instruction in 14 separate areas including:

- Earning an income;
- Understanding state and federal taxes;
- Banking and financial services;
- Balancing a checkbook;
- Savings and investing;
- Planning for retirement;
- Understanding loans and borrowing money, including predatory lending and payday loans;
- Understanding interest, credit card debt, and online commerce;
- Identity fraud and theft;
- Rights and responsibilities of renting or buying a home;
- Understanding insurance;

- Understanding the financial impact and consequences of gambling;

- Bankruptcy; and

- Charitable giving

The law impacts curriculums in grades 7 through 12. By the time that student graduate, their teachers must certify that they have a working knowledge of the topics listed above and that they know how to apply them in practical situations.

The one downside to the law is that the legislature didn't provide any funding for the topic. This has resulted in school districts across the state working the topic into other classes. Even so, ACCESS is very happy to see Oklahoma embark on this effort. Personal financial education is lacking in most schools around the country.
byJim Malmberg
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