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**HOUSE BILL NO. 2112**

Offered January 14, 2009

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*A BILL to amend and reenact §§ 22.1-200.03, 22.1-209.1:2, 22.1-225, and 22.1-253.13:1 of the Code of Virginia, relating to financial literacy education.*

Patrons—Spruill, Barlow, Eisenberg, Hall, McClellan, Melvin, Morrissey, Plum and Scott, J.M.;  
Senators: Locke, Lucas and McEachin

Referred to Committee on Education

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 22.1-200.03, 22.1-209.1:2, 22.1-225, and 22.1-253.13:1 of the Code of Virginia are amended and reenacted as follows:**

§ 22.1-200.03. Economics education and financial literacy required in middle and high school grades; Board of Education to establish objectives for economic education and financial literacy; banking-at-school programs.

A. By July 1, 2006, instruction in the principles of the American economic system shall be required in the public middle and high schools of the Commonwealth to promote economics education and financial literacy of students and to further the development of knowledge, skills, and attitudes needed for responsible citizenship in a constitutional democracy. *School boards shall require the completion of 12 classroom hours of instruction in financial literacy at the secondary school level as a condition of graduation from the public schools of the Commonwealth. Such instruction shall include, but need not be limited to, the objectives enumerated in subsection B.*

B. The Board of Education shall develop and approve objectives for economics education and financial literacy at the middle and high school levels, that shall be required of all students, and shall provide for the systematic infusion of economic principles in the relevant Standards of Learning, and in career and technical education programs. The objectives shall include, but not be limited to, personal living and finances; personal and business money management skills; opening an account in a financial institution and judging the quality of a financial institution's services; balancing a checkbook; completing a loan application; the implications of an inheritance; the basics of personal insurance policies; consumer rights and responsibilities; dealing with salesmen and merchants; debt management; managing retail and credit card debt; state and federal tax computation; local tax assessments; computation of interest rates by various mechanisms; understanding simple contracts; and learning how to contest an incorrect bill.

C. To facilitate the objectives of economics education and financial literacy through practical experiences, the Department shall confer with the State Corporation Commission's Bureau of Financial Institutions, and financial and relevant professional organizations in the development of guidelines for such literacy objectives. The guidelines shall include, but not be limited to, (i) rules and policies governing the establishment, operation, and dissolution of school banks and school credit unions; (ii) written agreements between partnering public schools and financial institutions, including the disposition of funds donated or other financial contributions provided by the partnering financial institution; and (iii) such other matters as the Department may deem appropriate.

D. The Board shall not be required to evaluate student achievement concerning economics education and financial literacy objectives in the Standards of Learning assessments required by § 22.1-253.13:3.

E. For the purposes of this section, "at-risk and disadvantaged students" means students having socioeconomic or cultural risk factors that research indicates may negatively influence academic achievement or may hinder an individual in reaching his life goals.

For the purposes of this section, "financial institution" means a bank, savings and loan association, savings bank, or credit union authorized to conduct business in the Commonwealth.

For the purposes of this section, "high school" includes grades nine through 12.

For the purposes of this section, "middle school" includes grades six through eight.

§ 22.1-209.1:2. Alternative education programs for certain students.

A. With such funds as may be appropriated for this purpose, the Board of Education shall establish a program consisting of alternative education options for elementary, middle, and high school students in compliance with subdivision D 67 of § 22.1-253.13:1 who (i) have committed an offense in violation of school board policies relating to weapons, alcohol or drugs, or intentional injury to another person, or against whom a petition or warrant has been filed alleging such acts or school board charges alleging such policy violations are pending; (ii) have been expelled from school attendance or have received one suspension for an entire semester, or have received two or more long-term suspensions within one

58 school year; or (iii) have been released from a juvenile correctional center and have been identified by  
59 the Superintendent of the Department of Correctional Education and the relevant division superintendent  
60 as requiring an alternative education program. However, no child shall be assigned to any alternative  
61 education program described in this section for more than one school year without an annual assessment  
62 of the placement to determine the appropriateness of transitioning the child into the school division's  
63 regular program. On and after July 1, 1994, the program shall consist of up to 10 regional pilot projects;  
64 any additional pilot projects shall be located in regions throughout the state to provide greater  
65 geographical distribution of such projects. All such projects shall be awarded on a competitive basis to  
66 applicants responding to requests for proposals, giving priority in awarding any new sites, to the extent  
67 practicable, to applicants in areas with high student suspension and expulsion rates that meet the  
68 requirements in subsection B of this section. The Board of Education shall promulgate regulations for  
69 the implementation of the program.

70 B. Upon the appropriation of funds for the purposes of this section, the Department of Education  
71 shall issue a request for proposals for regional projects to pilot selected alternative education options by  
72 July 1, 1993. The first such grants shall be awarded by August 20, 1993.

73 In the 2001 fiscal year, and upon the appropriation of funds for these purposes, the Department of  
74 Education shall issue a request for proposals for regional pilot projects for selected alternative education  
75 options for elementary school students. The first such grants shall be awarded by September 1, 2001.

76 Applications for grants shall include the following components:

77 1. An agreement executed by two or more school divisions and approval of their respective  
78 governing bodies to pilot an alternative education option as provided in subsection A, and a plan for the  
79 apportionment of responsibilities for the administration, management, and support of the program,  
80 including, but not limited to, the facilities and location for the program, daily operation and oversight,  
81 staffing, instructional materials and resources, transportation, funding and in-kind services, and the  
82 program of instruction.

83 2. A procedure for obtaining the participation in or support for the program, as may be determined,  
84 of the parents, guardian or other person having charge or control of a child placed in the program.

85 3. An interagency agreement for cooperation executed by the local departments of health and social  
86 services or welfare; the juvenile and domestic relations district court; law-enforcement agencies;  
87 institutions of higher education and other postsecondary training programs; professional and community  
88 organizations; the business and religious communities; dropout prevention and substance abuse  
89 prevention programs; community services boards located in the applicants' respective jurisdictions; and  
90 the Department of Correctional Education.

91 4. A curriculum developed for intensive, accelerated instruction designed to establish high standards  
92 and academic achievement for participating students.

93 5. An emphasis on building self-esteem and the promotion of personal and social responsibility.

94 6. A low pupil/teacher ratio to promote a high level of interaction between the students and the  
95 teacher.

96 7. An extended day program, where appropriate, to facilitate remediation; tutoring; counseling;  
97 organized, age-appropriate, developmental education for elementary and middle school children; and  
98 opportunities that enhance acculturation and permit students to improve their social and interpersonal  
99 relationship skills.

100 8. Community outreach to build strong school, business, and community partnerships, and to promote  
101 parental involvement in the educational process of participating children.

102 9. Specific, measurable goals and objectives and an evaluation component to determine the program's  
103 effectiveness in reducing acts of crime and violence by students, the dropout rate, the number of youth  
104 committed to juvenile correctional centers, and recidivism; and in increasing the academic achievement  
105 levels and rehabilitative success of participating students, admission to institutions of higher education  
106 and other postsecondary education and training programs, and improving staff retention rates.

107 10. The number of children who may be assigned to the regional pilot alternative education program  
108 during the school year.

109 11. A plan for transitioning the enrolled students into the relevant school division's regular program.

110 12. A current program of staff development and training.

111 C. Beginning with the first year of program implementation, the Department of Education shall be  
112 entitled to deduct annually from the locality's share for the education of its students a sum equal to the  
113 actual local expenditure per pupil for the support of those students placed by the relevant school division  
114 in any such pilot program. The amount of the actual transfers shall be based on data accumulated during  
115 the prior school year.

116 D. A school board shall require written notification to the pupil's parent, guardian, or other person  
117 having charge or control, when a pupil commits an offense in violation of school board policies, which  
118 school officials determine was committed without the willful intent to violate such policies, or when the  
119 offense did not endanger the health and safety of the individual or other persons, of the nature of the

offense no later than two school days following its occurrence. A school board shall require the principal of the school where the child is in attendance or other appropriate school personnel to develop appropriate measures, in conjunction with the pupil's parent or guardian, for correcting such behavior.

E. The Board shall require submission of interim evaluation reports of each pilot program biannually and shall compile these reports and other program materials and report the status of such programs on a periodic basis, as may be established, during the 1993 legislative interim to the Special Joint Subcommittee on School Crime and Violence. The Board shall report the effectiveness of such programs and their components annually to the Governor and the General Assembly beginning by December 1, 1994.

F. For the purposes of this section, "regional pilot program" means a program supported and implemented by two or more school divisions which are either geographically contiguous or have a community of interest.

G. For the purposes of this section, "one school year" means no more than 180 teaching days. § 22.1-225. Authority of school boards.

A. Local school boards shall provide adult education programs, in compliance with *subdivision D 8 of § 22.1-253.13:1* ~~§ 7~~, for residents of the school division and, in their discretion, may charge appropriate fees to persons admitted to such programs.

B. With such funds as may be appropriated for the purposes of this article, school boards shall seek to ensure that every adult participating in such program has an opportunity to earn a general educational development (GED) certificate or a high school diploma.

§ 22.1-253.13:1. Standard 1. Instructional programs supporting the Standards of Learning and other educational objectives.

A. The General Assembly and the Board of Education believe that the fundamental goal of the public schools of this Commonwealth must be to enable each student to develop the skills that are necessary for success in school, preparation for life, and reaching their full potential. The General Assembly and the Board of Education find that the quality of education is dependent upon the provision of (i) the appropriate working environment, benefits, and salaries necessary to ensure the availability of high-quality instructional personnel; (ii) the appropriate learning environment designed to promote student achievement; (iii) quality instruction that enables each student to become a productive and educated citizen of Virginia and the United States of America; and (iv) the adequate commitment of other resources. In keeping with this goal, the General Assembly shall provide for the support of public education as set forth in Article VIII, Section 1 of the Constitution of Virginia.

B. The Board of Education shall establish educational objectives known as the Standards of Learning, which shall form the core of Virginia's educational program, and other educational objectives, which together are designed to ensure the development of the skills that are necessary for success in school and for preparation for life in the years beyond. At a minimum, the Board shall establish Standards of Learning for English, mathematics, science, and history and social science. The Standards of Learning shall not be construed to be regulations as defined in § 2.2-4001.

The Board shall seek to ensure that the Standards of Learning are consistent with a high-quality foundation educational program. The Standards of Learning shall include, but not be limited to, the basic skills of communication (listening, speaking, reading, and writing); computation and critical reasoning including problem solving and decision making; proficiency in the use of computers and related technology; and the skills to manage personal finances and to make sound financial decisions.

The English Standards of Learning for reading in kindergarten through grade three shall be based on components of effective reading instruction, to include, at a minimum, phonemic awareness, phonics, fluency, vocabulary development, and text comprehension.

The Standards of Learning in all subject areas shall be subject to regular review and revision to maintain rigor and to reflect a balance between content knowledge and the application of knowledge in preparation for eventual employment and lifelong learning. The Board of Education shall establish a regular schedule, in a manner it deems appropriate, for the review, and revision as may be necessary, of the Standards of Learning in all subject areas. Such review of each subject area shall occur at least once every seven years. Nothing in this section shall be construed to prohibit the Board from conducting such review and revision on a more frequent basis.

To provide appropriate opportunity for input from the general public, teachers, and local school boards, the Board of Education shall conduct public hearings prior to establishing revised Standards of Learning. Thirty days prior to conducting such hearings, the Board shall give notice of the date, time, and place of the hearings to all local school boards and any other persons requesting to be notified of the hearings and publish notice of its intention to revise the Standards of Learning in the Virginia Register of Regulations. Interested parties shall be given reasonable opportunity to be heard and present information prior to final adoption of any revisions of the Standards of Learning.

In addition, the Department of Education shall make available and maintain a website, either

181 separately or through an existing website utilized by the Department of Education, enabling public  
182 elementary, middle, and high school educators to submit recommendations for improvements relating to  
183 the Standards of Learning, when under review by the Board according to its established schedule, and  
184 related assessments required by the Standards of Quality pursuant to this chapter. Such website shall  
185 facilitate the submission of recommendations by educators.

186 School boards shall implement the Standards of Learning or objectives specifically designed for their  
187 school divisions that are equivalent to or exceed the Board's requirements. Students shall be expected to  
188 achieve the educational objectives established by the school division at appropriate age or grade levels.  
189 The curriculum adopted by the local school division shall be aligned to the Standards of Learning.

190 The Board of Education shall include in the Standards of Learning for history and social science the  
191 study of contributions to society of diverse people. For the purposes of this subsection, "diverse" shall  
192 include consideration of disability, ethnicity, race, and gender.

193 With such funds as are made available for this purpose, the Board shall regularly review and revise  
194 the competencies for career and technical education programs to require the full integration of English,  
195 mathematics, science, and history and social science Standards of Learning. Career and technical  
196 education programs shall be aligned with industry and professional standard certifications, where they  
197 exist.

198 C. Local school boards shall develop and implement a program of instruction for grades K through  
199 12 that is aligned to the Standards of Learning and meets or exceeds the requirements of the Board of  
200 Education. The program of instruction shall emphasize reading, writing, speaking, mathematical concepts  
201 and computations, proficiency in the use of computers and related technology, and scientific concepts  
202 and processes; essential skills and concepts of citizenship, including knowledge of Virginia history and  
203 world and United States history, economics, government, foreign languages, international cultures, health  
204 and physical education, environmental issues and geography necessary for responsible participation in  
205 American society and in the international community; fine arts, which may include, but need not be  
206 limited to, music and art, and practical arts; knowledge and skills needed to qualify for further  
207 education, gainful employment, or training in a career or technical field; and development of the ability  
208 to apply such skills and knowledge in preparation for eventual employment and lifelong learning and to  
209 achieve economic self-sufficiency.

210 Local school boards shall also develop and implement programs of prevention, intervention, or  
211 remediation for students who are educationally at risk including, but not limited to, those who fail to  
212 achieve a passing score on any Standards of Learning assessment in grades three through eight or who  
213 fail an end-of-course test required for the award of a verified unit of credit. Such programs shall include  
214 components that are research-based.

215 Any student who achieves a passing score on one or more, but not all, of the Standards of Learning  
216 assessments for the relevant grade level in grades three through eight may be required to attend a  
217 remediation program.

218 Any student who fails to achieve a passing score on all of the Standards of Learning assessments for  
219 the relevant grade level in grades three through eight or who fails an end-of-course test required for the  
220 award of a verified unit of credit shall be required to attend a remediation program or to participate in  
221 another form of remediation. Division superintendents shall require such students to take special  
222 programs of prevention, intervention, or remediation, which may include attendance in public summer  
223 school programs, in accordance with clause (ii) of subsection A of § 22.1-254 and § 22.1-254.01.

224 Remediation programs shall include, when applicable, a procedure for early identification of students  
225 who are at risk of failing the Standards of Learning assessments in grades three through eight or who  
226 fail an end-of-course test required for the award of a verified unit of credit. Such programs may also  
227 include summer school for all elementary and middle school grades and for all high school academic  
228 courses, as defined by regulations promulgated by the Board of Education, or other forms of  
229 remediation. Summer school remediation programs or other forms of remediation shall be chosen by the  
230 division superintendent to be appropriate to the academic needs of the student. Students who are  
231 required to attend such summer school programs or to participate in another form of remediation shall  
232 not be charged tuition by the school division.

233 The requirement for remediation may, however, be satisfied by the student's attendance in a program  
234 of prevention, intervention or remediation that has been selected by his parent, in consultation with the  
235 division superintendent or his designee, and is either (i) conducted by an accredited private school or (ii)  
236 a special program that has been determined to be comparable to the required public school remediation  
237 program by the division superintendent. The costs of such private school remediation program or other  
238 special remediation program shall be borne by the student's parent.

239 The Board of Education shall establish standards for full funding of summer remedial programs that  
240 shall include, but not be limited to, the minimum number of instructional hours or the equivalent thereof  
241 required for full funding and an assessment system designed to evaluate program effectiveness. Based on  
242 the number of students attending and the Commonwealth's share of the per pupil instructional costs,

state funds shall be provided for the full cost of summer and other remediation programs as set forth in the appropriation act, provided such programs comply with such standards as shall be established by the Board, pursuant to § 22.1-199.2.

D. Local school boards shall also implement the following:

1. Programs in grades K through three that emphasize developmentally appropriate learning to enhance success.

2. Programs based on prevention, intervention, or remediation designed to increase the number of students who earn a high school diploma and to prevent students from dropping out of school. Such programs shall include components that are research-based.

3. Career and technical education programs incorporated into the K through 12 curricula that include:

a. Knowledge of careers and all types of employment opportunities including, but not limited to, apprenticeships, entrepreneurship and small business ownership, the military, and the teaching profession, and emphasize the advantages of completing school with marketable skills;

b. Career exploration opportunities in the middle school grades; and

c. Competency-based career and technical education programs that integrate academic outcomes, career guidance and job-seeking skills for all secondary students. Programs must be based upon labor market needs and student interest. Career guidance shall include counseling about available employment opportunities and placement services for students exiting school. Each school board shall develop and implement a plan to ensure compliance with the provisions of this subdivision. Such plan shall be developed with the input of area business and industry representatives and local community colleges and shall be submitted to the Superintendent of Public Instruction in accordance with the timelines established by federal law.

4. *Programs in grades K through 12 that emphasize economic education and financial literacy pursuant to § 22.1-200.03. Each school board shall require the completion of 12 classroom hours of instruction in financial literacy at the secondary school level as a condition of graduation.*

45. Early identification of students with disabilities and enrollment of such students in appropriate instructional programs consistent with state and federal law.

56. Early identification of gifted students and enrollment of such students in appropriately differentiated instructional programs.

67. Educational alternatives for students whose needs are not met in programs prescribed elsewhere in these standards. Such students shall be counted in average daily membership (ADM) in accordance with the regulations of the Board of Education.

78. Adult education programs for individuals functioning below the high school completion level. Such programs may be conducted by the school board as the primary agency or through a collaborative arrangement between the school board and other agencies.

89. A plan to make achievements for students who are educationally at risk a divisionwide priority that shall include procedures for measuring the progress of such students.

910. A plan to notify students and their parents of the availability of dual enrollment and advanced placement classes, the International Baccalaureate Program, and Academic Year Governor's School Programs, the qualifications for enrolling in such classes and programs, and the availability of financial assistance to low-income and needy students to take the advanced placement and International Baccalaureate examinations.

1011. Identification of students with limited English proficiency and enrollment of such students in appropriate instructional programs.

1112. Early identification, diagnosis, and assistance for students with reading and mathematics problems and provision of instructional strategies and reading and mathematics practices that benefit the development of reading and mathematics skills for all students.

1213. Incorporation of art, music, and physical education as a part of the instructional program at the elementary school level.

1314. A program of physical fitness available to all students with a goal of at least 150 minutes per week on average during the regular school year. Such program may include any combination of (i) physical education classes, (ii) extracurricular athletics, or (iii) other programs and physical activities deemed appropriate by the local school board. Each local school board shall incorporate into its local wellness policy a goal for the implementation of such program during the regular school year.

1415. A program of student services for grades kindergarten through 12 that shall be designed to aid students in their educational, social, and career development.

1516. The collection and analysis of data and the use of the results to evaluate and make decisions about the instructional program.

E. From such funds as may be appropriated or otherwise received for such purpose, there shall be established within the Department of Education a unit to (i) conduct evaluative studies; (ii) provide the resources and technical assistance to increase the capacity for school divisions to deliver quality

304 instruction; and (iii) assist school divisions in implementing those programs and practices that will  
305 enhance pupil academic performance and improve family and community involvement in the public  
306 schools. Such unit shall identify and analyze effective instructional programs and practices and  
307 professional development initiatives; evaluate the success of programs encouraging parental and family  
308 involvement; assess changes in student outcomes prompted by family involvement; and collect and  
309 disseminate among school divisions information regarding effective instructional programs and practices,  
310 initiatives promoting family and community involvement, and potential funding and support sources.  
311 Such unit may also provide resources supporting professional development for administrators and  
312 teachers. In providing such information, resources, and other services to school divisions, the unit shall  
313 give priority to those divisions demonstrating a less than 70 percent passing rate on the Standards of  
314 Learning assessments.