

House Bill 3232

Sponsored by Representative RAYFIELD

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes financial literacy as requirement for high school diploma.

Directs Department of Education to establish academic content standards and statewide assessment system for financial literacy.

Requires school districts and public charter schools to offer students instruction in financial literacy.

A BILL FOR AN ACT

1
2 Relating to financial literacy; creating new provisions; and amending ORS 329.025, 329.045, 329.451
3 and 329.485.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 329.451 is amended to read:

6 329.451. (1)(a) At or before grade 12, a school district or public charter school shall award a high
7 school diploma to a student who completes the requirements established by subsection (2) of this
8 section.

9 (b) A school district or public charter school shall award a modified diploma to a student who
10 satisfies the requirements established by subsection (7) of this section, an extended diploma to a
11 student who satisfies the requirements established by subsection (8) of this section or an alternative
12 certificate to a student who satisfies the requirements established by subsection (9) of this section.

13 (c) A school district or public charter school may not deny a student who has the documented
14 history described in subsection (7)(b) or (8)(b) of this section the opportunity to pursue a diploma
15 with more stringent requirements than a modified diploma or an extended diploma for the sole rea-
16 son that the student has the documented history.

17 (d) A school district or public charter school may award a modified diploma or extended diploma
18 to a student only upon receiving consent as provided by subsection (6) of this section.

19 (2)(a) In order to receive a high school diploma from a school district or public charter school,
20 a student must satisfy the requirements established by the State Board of Education and the school
21 district or public charter school and, while in grades 9 through 12, must complete at least:

22 (A) Twenty-four total credits;

23 (B) Three credits of mathematics; *[and]*

24 (C) Four credits of English[.]; **and**

25 **(D) One-half credit of financial literacy.**

26 (b) If a school district or public charter school requires a student to complete more than 24 total
27 credits, as provided by paragraph (a)(A) of this subsection, the school district or public charter
28 school may only require the student to complete additional credits for:

29 (A) Subjects for which the State Board of Education has established academic content standards
30 under ORS 329.045;

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 (B) Courses provided as part of a career and technical education program; or

2 (C) Courses that provide, or qualify to provide, credit at post-secondary institutions of education.

3 (c)(A) A school district or public charter school that requires students to satisfy any require-
4 ments not specified by paragraph (a) of this subsection or by rule of the State Board of Education
5 must grant to a student a waiver of the requirements established by the school district or public
6 charter school if the student is or, at any time from grade 9 to 12, was:

7 (i) A foster child, as defined in ORS 30.297;

8 (ii) Homeless, as determined under rules adopted by the State Board of Education based on
9 standards adopted by the Department of Human Services;

10 (iii) A runaway, as determined under rules adopted by the State Board of Education based on
11 standards adopted by the Department of Human Services;

12 (iv) A child in a military family covered by the Interstate Compact on Educational Opportunity
13 for Military Children, as determined under rules adopted by the State Board of Education;

14 (v) A child of a migrant worker, as determined under rules adopted by the State Board of Edu-
15 cation; or

16 (vi) Enrolled in the Youth Corrections Education Program or the Juvenile Detention Education
17 Program.

18 (B) For any student identified under subparagraph (A) of this paragraph, a school district or
19 public charter school must accept any credits earned by the student in another school district or
20 public charter school and apply those credits toward requirements specified by paragraph (a) of this
21 subsection or by rule of the State Board of Education if the credits satisfied those requirements in
22 that other school district or public charter school.

23 (3) A student providing work samples to demonstrate proficiency in Essential Learning Skills
24 as may be required under subsection (2) of this section must be allowed to use accommodations de-
25 scribed in the student's individualized education program or the student's plan developed in ac-
26 cordance with section 504 of the Rehabilitation Act of 1978, 29 U.S.C. 794. As used in this
27 subsection, the term "accommodations":

28 (a) Includes, but is not limited to:

29 (A) Additional time to demonstrate proficiency.

30 (B) The ability to demonstrate proficiency in an alternative location that is secure and
31 proctored.

32 (C) The use of text-to-speech or speech-to-text technology or other assistive technology.

33 (b) Does not include modifications that lower the proficiency standards or that are used solely
34 to earn modified credit.

35 (4) A student may satisfy the requirements of subsection (2) of this section in less than four
36 years. If a student satisfies the requirements of subsection (2) of this section and a school district
37 or public charter school has received consent as provided by subsection (6) of this section, the
38 school district or public charter school shall award a high school diploma to the student.

39 (5) If a school district or public charter school has received consent as provided by subsection
40 (6) of this section, the school district or public charter school may advance the student to the next
41 grade level if the student has satisfied the requirements for the student's current grade level.

42 (6)(a) For the purpose of receiving consent as provided by subsections (1)(d), (4) and (5) of this
43 section, consent shall be provided by:

44 (A) The parent or guardian of the student, if the student:

45 (i) Is under 18 years of age and is not emancipated pursuant to ORS 419B.550 to 419B.558; or

1 (ii) Has been determined not to have the ability to give informed consent regarding the student's
 2 education pursuant to a protective proceeding under ORS chapter 125; or

3 (B) The student, if the student is 18 years of age or older or is emancipated pursuant to ORS
 4 419B.550 to 419B.558.

5 (b) For the purpose of awarding a modified diploma or extended diploma as provided by sub-
 6 section (1)(d) of this section or of awarding a high school diploma as provided by subsection (4) of
 7 this section, consent must be received during the school year for which the diploma will be awarded.

8 (7) A school district or public charter school shall award a modified diploma only to students
 9 who have demonstrated the inability to meet the full set of academic content standards for a high
 10 school diploma with reasonable modifications and accommodations. To be eligible for a modified di-
 11 ploma, a student must:

12 (a) Satisfy the requirements for a modified diploma established by the State Board of Education;
 13 and

14 (b) Have a documented history of an inability to maintain grade level achievement due to sig-
 15 nificant learning and instructional barriers or have a documented history of a medical condition that
 16 creates a barrier to achievement.

17 (8) A school district or public charter school shall award an extended diploma only to students
 18 who have demonstrated the inability to meet the full set of academic content standards for a high
 19 school diploma with reasonable modifications and accommodations. To be eligible for an extended
 20 diploma, a student must:

21 (a) While in grade nine through completion of high school, complete 12 credits, which may not
 22 include more than six credits earned in a self-contained special education classroom and shall in-
 23 clude:

- 24 (A) Two credits of mathematics;
- 25 (B) Two credits of English;
- 26 (C) Two credits of science;
- 27 (D) Three credits of history, geography, economics or civics;
- 28 (E) One credit of health;
- 29 (F) One credit of physical education; [*and*]
- 30 (G) One credit of the arts or a world language; and

31 **(H) One-half credit of financial literacy; and**

32 (b) Have a documented history of:

33 (A) An inability to maintain grade level achievement due to significant learning and instruc-
 34 tional barriers;

35 (B) A medical condition that creates a barrier to achievement; or

36 (C) A change in the student's ability to participate in grade level activities as a result of a se-
 37 rious illness or injury that occurred after grade eight.

38 (9) A school district or public charter school shall award an alternative certificate to a student
 39 who does not satisfy the requirements for a high school diploma, a modified diploma or an extended
 40 diploma if the student meets requirements established by the board of the school district or public
 41 charter school.

42 (10) A student shall have the opportunity to satisfy the requirements of subsection (7), (8) or (9)
 43 of this section by the later of:

44 (a) Four years after starting grade nine; or

45 (b) The student reaching the age of 21 years, if the student is entitled to a public education until

1 the age of 21 years under state or federal law.

2 (11)(a) A student may satisfy the requirements described in subsection (7), (8) or (9) of this sec-
 3 tion in less than four years if consent is provided in the manner described in subsection (6)(a) of this
 4 section.

5 (b) The consent provided under this subsection must be written and must clearly state that the
 6 parent, guardian or student is waiving the time allowed under subsection (10) of this section. A
 7 consent may not be used to allow a student to satisfy the requirements of subsection (7), (8) or (9)
 8 of this section in less than three years.

9 (c) A copy of all consents provided under this subsection for students in a school district must
 10 be forwarded to the district superintendent.

11 (d) Each school district must provide to the Superintendent of Public Instruction information
 12 about the number of consents provided during a school year.

13 (12)(a) A student who qualifies to receive or receives a modified diploma, an extended diploma
 14 or an alternative certificate shall:

15 (A) Have the option of participating in a high school graduation ceremony with the class of the
 16 student; and

17 (B) Have access to instructional hours, hours of transition services and hours of other services
 18 that are designed to:

19 (i) Meet the unique needs of the student; and

20 (ii) When added together, provide a total number of hours of instruction and services to the
 21 student that equals at least the total number of instructional hours that is required to be provided
 22 to students who are attending a public high school.

23 (b)(A) The number of instructional hours, hours of transition services and hours of other ser-
 24 vices that are appropriate for a student shall be determined by the student's individualized education
 25 program team. Based on the student's needs and performance level, the student's individualized ed-
 26 ucation program team may decide that the student will not access the total number of hours of in-
 27 struction and services to which the student has access under paragraph (a)(B) of this subsection.

28 (B) A school district may not unilaterally decrease the total number of hours of instruction and
 29 services to which the student has access under paragraph (a)(B) of this subsection, regardless of the
 30 age of the student.

31 (c) If a student's individualized education program team decides that the student will not access
 32 the total number of hours of instruction and services to which the student has access under para-
 33 graph (a)(B) of this subsection, the school district shall annually:

34 (A) Provide the following information in writing to the parent or guardian of the student:

35 (i) The school district's duty to comply with the requirements of paragraph (a)(B) of this sub-
 36 section; and

37 (ii) The prohibition against a school district's unilaterally decreasing the total number of hours
 38 of instruction and services to which the student has access.

39 (B) Obtain a signed acknowledgment from the parent or guardian of the student that the parent
 40 or guardian received the information described in subparagraph (A) of this paragraph.

41 (C) Include in the individualized education program for the student a written statement that
 42 explains the reasons the student is not accessing the total number of hours of instruction and ser-
 43 vices to which the student has access under paragraph (a)(B) of this subsection.

44 (d) For purposes of paragraph (a)(B) of this subsection, transition services and other services
 45 designed to meet the unique needs of the student may be provided to the student through an inter-

1 agency agreement entered into by the school district if the individualized education program devel-
 2 oped for the student indicates that the services may be provided by another agency. A school
 3 district that enters into an interagency agreement as allowed under this paragraph retains the re-
 4 sponsibility for ensuring that the student has access to the number of service hours required to be
 5 provided to the student under this subsection. An agency is not required to change any eligibility
 6 criteria or enrollment standards prior to entering into an interagency agreement as provided by this
 7 paragraph.

8 (13) A school district or public charter school shall:

9 (a) Ensure that students have on-site access to the appropriate resources to achieve a high
 10 school diploma, a modified diploma, an extended diploma or an alternative certificate at each high
 11 school in the school district or at the public charter school.

12 (b) Provide literacy instruction to all students until graduation.

13 (c) Annually provide, to the parents or guardians of a student who has the documented history
 14 described in subsection (8)(b) of this section, information about the availability of a modified di-
 15 ploma, an extended diploma and an alternative certificate and the requirements for the diplomas and
 16 certificate:

17 (A) Beginning in grade five; or

18 (B) Beginning after a documented history described in subsection (8)(b) of this section has been
 19 established.

20 (14) A school district or public charter school shall allow a student to participate in the high
 21 school graduation ceremony with the class of the student and to wear a dress uniform issued to the
 22 student by a branch of the Armed Forces of the United States if the student:

23 (a) Qualifies to receive a high school diploma, a modified diploma, an extended diploma or an
 24 alternative certificate under this section; and

25 (b) Has completed basic training for, and is an active member of, a branch of the Armed Forces
 26 of the United States.

27 **SECTION 2. (1) The amendments to ORS 329.451 by section 1 of this 2021 Act become**
 28 **operative on January 1, 2026.**

29 **(2) The amendments to ORS 329.451 by section 1 of this 2021 Act apply to diplomas**
 30 **awarded on or after January 1, 2026.**

31 **SECTION 3.** ORS 329.025 is amended to read:

32 329.025. It is the intent of the Legislative Assembly to maintain a system of public elementary
 33 and secondary schools that allows students, parents, teachers, administrators, school district boards
 34 and the State Board of Education to be accountable for the development and improvement of the
 35 public school system. The public school system shall have the following characteristics:

36 (1) Provides equal and open access and educational opportunities for all students in the state
 37 regardless of their linguistic background, culture, race, gender, capability or geographic location;

38 (2) Assumes that all students can learn and establishes high, specific skill and knowledge ex-
 39 pectations and recognizes individual differences at all instructional levels;

40 (3) Provides each student an education experience that supports academic growth beyond profi-
 41 ciency in established academic content standards and encourages students to attain aspirational
 42 goals that are individually challenging;

43 (4) Provides special education, compensatory education, linguistically and culturally appropriate
 44 education and other specialized programs to all students who need those services;

45 (5) Supports the physical and cognitive growth and development of students;

1 (6) Provides students with a solid foundation in the skills of reading, writing, problem solving
2 and communication;

3 (7) Provides opportunities for students to learn, think, reason, retrieve information, use tech-
4 nology and work effectively alone and in groups;

5 (8) Provides for rigorous academic content standards and instruction in mathematics, science,
6 English, **financial literacy**, history, geography, economics, civics, physical education, health, the
7 arts and world languages;

8 (9) Provides increased learning time;

9 (10) Provides students an educational background to the end that they will function successfully
10 in a constitutional republic, a participatory democracy and a multicultural nation and world;

11 (11) Provides students with the knowledge and skills that will provide the opportunities to suc-
12 ceed in the world of work, as members of families and as citizens;

13 (12) Provides students with the knowledge and skills that lead to an active, healthy lifestyle;

14 (13) Provides students with the knowledge and skills to take responsibility for their decisions
15 and choices;

16 (14) Provides opportunities for students to learn through a variety of teaching strategies;

17 (15) Emphasizes involvement of parents and the community in the total education of students;

18 (16) Transports children safely to and from school;

19 (17) Ensures that the funds allocated to schools reflect the uncontrollable differences in costs
20 facing each district;

21 (18) Ensures that local schools have adequate control of how funds are spent to best meet the
22 needs of students in their communities; and

23 (19) Provides for a safe, educational environment.

24 **SECTION 4.** ORS 329.045 is amended to read:

25 329.045. (1)(a) In order to achieve the goals contained in ORS 329.025, the State Board of Edu-
26 cation shall regularly and periodically review and revise its Common Curriculum Goals, performance
27 indicators and diploma requirements.

28 (b) The review and revision conducted under this section shall:

29 (A) Include Essential Learning Skills and rigorous academic content standards in mathematics,
30 science, English, **financial literacy**, history, geography, economics, civics, physical education,
31 health, the arts and world languages.

32 (B) Involve teachers and other educators, parents of students and other citizens and shall pro-
33 vide ample opportunity for public comment.

34 (C) Encourage increased learning time. As used in this subparagraph, "increased learning
35 time" means a schedule that encompasses a longer school day, week or year for the purpose of in-
36 creasing the total number of school hours available to provide:

37 (i) Students with instruction in core academic subjects, including mathematics, science, English,
38 **financial literacy**, history, geography, economics, civics, the arts and world languages;

39 (ii) Students with instruction in subjects other than the subjects identified in sub-subparagraph
40 (i) of this subparagraph, including health and physical education;

41 (iii) Students with the opportunity to participate in enrichment activities that contribute to a
42 well-rounded education, including learning opportunities that may be based on service, experience
43 or work and that may be provided through partnerships with other organizations; and

44 (iv) Teachers with the opportunity to collaborate, plan and engage in professional development
45 within and across grades and subjects.

1 (c) Nothing in this subsection prevents a school district or public charter school from main-
 2 taining control over course content, format, materials and teaching methods.

3 (2) The State Board of Education shall continually review and revise all adopted academic con-
 4 tent standards necessary for students to successfully transition to the next phase of their education.

5 (3)(a) School districts and public charter schools must offer students instruction in mathematics,
 6 science, English, **financial literacy**, history, geography, economics, civics, physical education,
 7 health, the arts and world languages.

8 (b) Instruction required under paragraph (a) of this subsection must:

9 (A) Meet the academic content standards adopted by the State Board of Education; and

10 (B) Meet the requirements adopted by the State Board of Education and the board of the school
 11 district or public charter school.

12 (4) School districts and public charter schools are encouraged to offer students courses or other
 13 educational opportunities in civics [*and financial literacy*] to allow every student who wants to re-
 14 ceive instruction in civics [*and financial literacy*] to be able to receive the instruction.

15 **SECTION 5.** ORS 329.045, as amended by section 1, chapter 202, Oregon Laws 2019, is amended
 16 to read:

17 329.045. (1)(a) In order to achieve the goals contained in ORS 329.025, the State Board of Edu-
 18 cation shall regularly and periodically review and revise its Common Curriculum Goals, performance
 19 indicators and diploma requirements.

20 (b) The review and revision conducted under this section shall:

21 (A) Include Essential Learning Skills and rigorous academic content standards in mathematics,
 22 science, English, **financial literacy**, history, geography, economics, civics, physical education,
 23 health, the arts and world languages.

24 (B) Ensure that the academic content standards for history, geography, economics and civics
 25 include sufficient instruction on the histories, contributions and perspectives of individuals who:

26 (i) Are Native American;

27 (ii) Are of African, Asian, Pacific Island, Chicano, Latino or Middle Eastern descent;

28 (iii) Are women;

29 (iv) Have disabilities;

30 (v) Are immigrants or refugees; or

31 (vi) Are lesbian, gay, bisexual or transgender.

32 (C) Involve teachers and other educators, parents of students and other citizens and shall pro-
 33 vide ample opportunity for public comment.

34 (D) Encourage increased learning time. As used in this subparagraph, “increased learning
 35 time” means a schedule that encompasses a longer school day, week or year for the purpose of in-
 36 creasing the total number of school hours available to provide:

37 (i) Students with instruction in core academic subjects, including mathematics, science, English,
 38 **financial literacy**, history, geography, economics, civics, the arts and world languages;

39 (ii) Students with instruction in subjects other than the subjects identified in sub-subparagraph
 40 (i) of this subparagraph, including health and physical education;

41 (iii) Students with the opportunity to participate in enrichment activities that contribute to a
 42 well-rounded education, including learning opportunities that may be based on service, experience
 43 or work and that may be provided through partnerships with other organizations; and

44 (iv) Teachers with the opportunity to collaborate, plan and engage in professional development
 45 within and across grades and subjects.

1 (c) Nothing in this subsection prevents a school district or public charter school from main-
 2 taining control over course content, format, materials and teaching methods.

3 (2) The State Board of Education shall continually review and revise all adopted academic con-
 4 tent standards necessary for students to successfully transition to the next phase of their education.

5 (3)(a) School districts and public charter schools must offer students instruction in mathematics,
 6 science, English, **financial literacy**, history, geography, economics, civics, physical education,
 7 health, the arts and world languages.

8 (b) Instruction required under paragraph (a) of this subsection must:

9 (A) Meet the academic content standards adopted by the State Board of Education; and

10 (B) Meet the requirements adopted by the State Board of Education and the board of the school
 11 district or public charter school.

12 (4) School districts and public charter schools are encouraged to offer students courses or other
 13 educational opportunities in civics [*and financial literacy*] to allow every student who wants to re-
 14 ceive instruction in civics [*and financial literacy*] to be able to receive the instruction.

15 **SECTION 6.** ORS 329.485 is amended to read:

16 329.485. (1) As used in this section:

17 (a) "Content-based assessment" means testing of the understanding of a student of a predeter-
 18 mined body of knowledge.

19 (b) "Criterion-referenced assessment" means testing of the knowledge or ability of a student with
 20 respect to some standard.

21 (c) "Performance-based assessment" means testing of the ability of a student to use knowledge
 22 and skills to create a complex or multifaceted product or complete a complex task.

23 (2)(a) The Department of Education shall implement statewide a valid and reliable assessment
 24 system for all students that meets technical adequacy standards. The assessment system shall in-
 25 clude criterion-referenced assessments including performance-based assessments, content-based as-
 26 sessments, and other valid methods to measure the academic content standards and to identify
 27 students who meet or exceed the standards.

28 (b) The department shall develop the statewide assessment system in mathematics, science,
 29 English, **financial literacy**, history, geography, economics and civics.

30 (3) In addition to the assessment system implemented under subsection (2) of this section, the
 31 department may make available to school districts and public charter schools an assessment system
 32 that uses criterion-referenced assessments, including performance-based assessments and content-
 33 based assessments to:

34 (a) Measure a student's progress toward mastery of the knowledge and skills of the student's
 35 current grade level or course content level;

36 (b) Determine the student's level of mastery, which shall be determined regardless of the actual
 37 grade level of the student and may be determined by adapting the assessment during the assessment
 38 process as a result of the performance of the student;

39 (c) Track and provide reports on the progress of a student based on the information provided
 40 under paragraphs (a) and (b) of this subsection; and

41 (d) Provide predictions of anticipated student progress that are based on the information pro-
 42 vided under this subsection and not on the current grade level of the student.

43 (4)(a) School districts and public charter schools shall implement the statewide assessment sys-
 44 tem in mathematics, science and English. In addition, school districts and public charter schools
 45 may implement the statewide assessment system in **financial literacy**, history, geography, econom-

1 ics and civics.

2 (b) School districts and public charter schools may choose to implement the assessment system
3 described in subsection (3) of this section.

4 (5)(a) Each year the resident school district shall be accountable for determining the student's
5 progress toward achieving the academic content standards. Progress toward the academic content
6 standards:

7 (A) Shall clearly show the student and parents whether the student is making progress toward
8 meeting or exceeding the academic content standards at the student's current grade level or course
9 content level;

10 (B) Shall be based on the student's progress toward mastery of a continuum of academic
11 knowledge and skills; and

12 (C) May be based on the student's progress in a continuum of knowledge and skills that are not
13 academic and that may include student behaviors that are defined by the school district.

14 (b) School districts shall determine the method and format for showing student progress toward
15 achieving the academic content standards. Communications on student progress shall include a
16 reasonable number, as determined by the school district, of academic knowledge and skills in a
17 content area to enable parents and students to understand a student's progress toward meeting or
18 exceeding the academic content standards. No more than three indicators of academic knowledge
19 and skills per content area reporting category shall be required as provided by this section. A
20 school district may use more than three indicators of academic knowledge and skills per content
21 area reporting category if the school district implements a proficiency education system as provided
22 by ORS 329.119.

23 (6) In addition to the requirements described in subsection (5) of this section, the school district
24 shall adopt and implement a reporting system based on the school district board adopted course
25 content of the school district's curriculum. The reporting system:

26 (a) Shall clearly show the student and parents whether the student is achieving course require-
27 ments at the student's current grade level or course content level;

28 (b) Shall be based on the student's progress toward mastery of a continuum of academic knowl-
29 edge and skills; and

30 (c) May be based on the student's progress in a continuum of knowledge and skills that are not
31 academic and that may include student behaviors that are defined by the school district.

32 (7) If a student has not met or has exceeded all of the academic content standards, the school
33 district shall make additional services or alternative educational or public school options available
34 to the student.

35 (8) If the student to whom additional services or alternative educational options have been made
36 available does not meet or exceed the academic content standards within one year, the school dis-
37 trict, with the consent of the parents, shall make an appropriate placement, which may include an
38 alternative education program or the transfer of the student to another public school in the school
39 district or to a public school in another school district that agrees to accept the student. The school
40 district that receives the student shall be entitled to payment. The payment shall consist of:

41 (a) An amount equal to the school district's expenses from its local revenues for each student
42 in average daily membership, payable by the resident school district in the same year; and

43 (b) Any state and federal funds the attending school district is entitled to receive payable as
44 provided in ORS 339.133 (2)(b).