



California Ballot Measure to Add Personal Finance Course to High School Graduation Requirements

Frequently Asked Questions

Why do we need this ballot initiative?

This is a common sense, non-partisan idea. California has lagged behind the rest of the nation when it comes to personal finance education. Only 1% of California students are required to take a personal finance course as a condition for graduation compared to 48% nationally. Ensuring that students — regardless of where they go to school or their economic status — have equal opportunity to learn about personal finance is critical.

How strong is the support for this Initiative?

Independent polls show overwhelming support. According to early polling conducted by David Binder of Binder Research, this initiative has extremely high support among California voters. Nearly 4 out of 5 voters (78% to 13%) would vote YES on this ballot measure as written.

In addition, a 2022 poll completed by Public Policy Polling found that 85% of Californians think all high school students should be guaranteed a basic course in personal finance. Californians also view this as an urgent matter that should be addressed by the state legislature. A majority 58% of respondents believe it is very urgent for the state legislature to pass a law requiring a personal finance course in California high schools, and 30% say it is somewhat urgent. (Source: [Public Policy Polling](#))

Hasn't there already been legislation on financial education in California?

For two decades, legislation to accomplish expanded access to a personal finance course for high school students languished in the state legislature.

This initiative addresses the legislative inaction and guarantees that all students take a personal finance course prior to graduation. This ballot measure will help close the tremendous gap in financial education in



California where only 1% of students are required to take a course, compared to 48% nationally.

Shouldn't the decision whether to guarantee a personal finance course be left to the local school districts?

This initiative ensures local school districts have a significant role in determining the curriculum used for personal finance courses. Recent polling indicates that 85% of California voters want personal finance courses to be a required part of a high school curriculum. Yet less than 1% of students are currently required to take a course. When gaps are that wide, action is necessary.

Moreover, the initiative would respect local control in implementing the course, including:

- Districts decide what curriculum is best for their students.
- Districts decide who is best equipped to teach the course while highlighting professional development that is available to support them.
- Districts decide where the course best fits in their existing graduation requirements.

Does personal finance education work?

A lengthy list of research studies finds that personal finance education:

- Results in fewer defaults and higher credit scores among young adults.
- Reduces usage of high-cost borrowing (e.g., payday loans).
- Ensures that when it comes to paying for college, students are more likely to apply for financial aid and less likely to take out private student loans.
- Ensures students are more likely to save for retirement after learning about the power of compounding.

(Source: [Research and Policy Papers on Impact of Financial Education](#))

Where will this fit in with current graduation requirements?

Under the initiative, each district will have the flexibility to decide where the course fits into existing graduation requirements. This respects local control



and current graduation requirements, which are among the most flexible in the nation, particularly as it pertains to the number of electives.

Won't adding a graduation requirement just reduce our graduation rates?

Research completed by Dr. Carly Urban found the following:

“I compared students in states with and without guarantees before and after they went into place to students in states that have no financial education requirements in the same time periods. The results show that there was no change in the likelihood of completing high school by age 18 or 19. There is also no difference in the likelihood of being “on track” for high school graduation—meaning being in the expected grade for one’s age—after the guarantee goes into place.” (Source: [Dr. Carly Urban research](#))

How is California doing today when it comes to financial education?

Only 1% of California students are required to take a personal finance course as a condition for graduation compared to 48% nationally. California has fallen behind. Passing this initiative would ensure California schools remain competitive.

What are other states doing to address finance education?

In just the past two years, the number of states requiring a course in personal finance has grown from 8 to 23, and more than two dozen other states have proposed bills in 2023 to expand access.