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S.B. 17
135th General Assembly

Bill Analysis

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Version: As Reported by House Primary and Secondary Education

Primary Sponsor: Sen. Wilson

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SUMMARY

- Requires the State Board of Education to incorporate academic concepts of free market capitalism into the standards and model curriculum for financial literacy and entrepreneurship for grades 9 through 12.
- Permits students to fulfill the financial literacy instruction requirement for high school graduation by successfully completing AP Microeconomics or AP Macroeconomics.
- Permits math teachers to teach financial literacy without a financial literacy license validation.

DETAILED ANALYSIS

Financial literacy instruction requirement

The bill permits students to fulfill the financial literacy instruction requirement for high school graduation by successfully completing AP Microeconomics or AP Macroeconomics. Under continuing law, students who enter 9th grade for the first time on or after the 2022-2023 school year, must complete one-half unit of financial literacy instruction as part of the high school curriculum and may do so either (1) in lieu of one-half unit of mathematics instruction or (2) as an elective.¹

Free market capitalism standards and curriculum

The bill requires the State Board of Education to incorporate academic concepts of free market capitalism into the standards and model curriculum for financial literacy and entrepreneurship for grades 9 through 12. The bill also specifies the free market capitalism

¹ R.C. 3313.603(C)(3) and (C)(9)(a).

concepts that the newly developed academic content must include. Those concepts include all of the following:²

1. Raw materials, labor, and capital are privately owned.
2. Individuals control their own ability to work and earn wages.
3. Private ownership of capital may take many forms, including via a family business, a publicly traded corporation, or a bank, among others.
4. Market prices are the only method to inform consumers and producers about the constantly changing information about the supply and demand of goods and services.
5. Both sellers and buyers seek to profit in a free market transaction, and profit earned can be consumed, saved, reinvested, or dispersed to shareholders.
6. Wealth creation involves asset value appreciation and depreciation, voluntary exchange of equity ownership, and open and closed markets.
7. The free market positively correlates with entrepreneurship and innovation.
8. The free market may involve externalities and market failures in which the cost of certain economic activities is borne by third parties.
9. The free market often accords with policies like legally protected property rights, legally enforceable contracts, patent protections, and the mitigation of externalities.
10. Free-market societies often embrace political and personal freedoms.

Financial literacy educator license validation

The bill permits math teachers to provide high school financial literacy instruction without a financial literacy license validation. Under current law, teachers who provide financial literacy must have a financial literacy license validation unless they teach social studies, family and consumer sciences, and business education.³

Background

Under current law, the State Board of Education is required to adopt standards and model curriculum for instruction in financial literacy.⁴ The law also requires the Superintendent of Public Instruction to develop a model curriculum for instruction in college and career readiness and financial literacy, which schools may use.⁵ However, neither of these provisions specify what must be included in the standards or model curriculum.

² R.C. 3301.079(A)(2)(b).

³ R.C. 3313.238(A) and (F).

⁴ R.C. 3301.079(A)(2).

⁵ R.C. 3301.0721.

HISTORY

Action	Date
Introduced	01-11-23
Reported, S. Education	03-01-23
Passed Senate (31-1)	03-08-23
Reported, H. Primary & Secondary Education	11-29-23
