

Jay Risch: Teaching of personal finance in K-12 gets a boost from governor, Legislature

Posted on Monday, Dec 18, 2017

The column below reflects the views of the author, and these opinions are neither endorsed nor supported by WisOpinion.com.

When Gov. Scott Walker signed Assembly Bill 280 on Nov. 30, more than 40 people crowded in behind him to be part of the official bill-signing photo. The larger-than-normal turnout for the event was emblematic of the widespread support for the legislation, which requires Wisconsin K-12 school districts to incorporate personal finance into their curricula.

The bill had passed the Assembly and Senate by voice vote, and also had the strong backing of a variety of private-sector stakeholder groups from the financial services industry. Gov. Walker enthusiastically signed the bill, which took effect immediately.

As Secretary of the Department of Financial Institutions (DFI), I was pleased to be present for the historic signing, which makes Wisconsin one of 18 states to require the teaching of personal finance. DFI, through our Office of Financial Literacy, has been working for years to promote the importance of this critical life-long skill, with a special emphasis on educating our K-12 students. Our agency spearheads the work of the Governor's Council on Financial Literacy, which Gov. Walker convened in 2011. We also collaborate with a variety of stakeholder groups to promote financial literacy in our schools, workplaces and communities across Wisconsin.

>> WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)

The signing of AB280 was, indeed, good news. But the even better news is that Wisconsin's K-12 school districts already have made outstanding progress on

incorporating personal finance into their curriculum requirements. Consider this:

- In 2010, a survey showed that just 25 percent of Wisconsin high schools required students to take a personal finance class in order to graduate.
- In 2016, based on a district-by-district review conducted by DFI, the percentage of districts with such a requirement had risen to 64 percent.
- And today – drum roll, please – more than 70 percent of Wisconsin high schools now have such a requirement in place, based on DFI’s most recent survey.

It is gratifying to see that a significant number of local school boards across the state have decided to add personal finance to their graduation requirements in the past seven years. Quite obviously, they have come to the realization that financially literate students have a far greater likelihood of becoming financially successful adults than do students who are financially illiterate. Studies have shown that mandated financial education increases financial knowledge later in life, including improved retirement planning. In addition, by age 22, people who were taught personal finance in school have credit scores that are 8 to 17 points higher than those who weren’t. Given the rapidly evolving nature of the financial services industry, the need to equip young people with these skills has never been more important.

The hard work by many educators, stakeholders groups and others on this topic is paying dividends, but there is more work to be done. DFI, our Office of Financial Literacy and Gov. Walker’s Council on Financial Literacy stand ready to help.

–Jay Risch is Secretary of the Department of Financial Institutions and Co-Vice Chair of the Governor’s Council on Financial Literacy. E-mail him at DFISecretary’sOffice@wisconsin.gov.