

2014 to bring new push for required financial literacy instruction

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There's always next year, says Mississippi Treasurer Lynn Fitch of her campaign to require financial literacy training in the state's public schools.

The effort gained easy passage in the House but failed to get a vote in the Senate, a circumstance she thinks could be related to a misconception that financial literacy is already widely taught in Mississippi schools.

"Sen. Gray Tollison (chair of the Senate Education Committee) mentioned the reason he did not support it is because it's already being taught," Fitch said. "But under current law it's an option, not a required class."

Next year lawmakers should be better acquainted with the issue and more willing to examine its merits, the first-term state treasurer said in an email this week.

Fitch asked legislators to make training in such financial basics as household budgeting, writing checks, balancing checkbooks and understanding credit card interest mandatory in public schools. The training is offered in many high schools as a class elective but Fitch says few students are enrolling.

A state that leads the nation in payday loan shops and credit card payment delinquencies needs to do better, according to the treasurer.

During the 2011/2012 school year 5,869 out of 97,613 students in the 10th, 11th, and 12th grades took the personal finance elective in Mississippi, she said. "That's just 6 percent and that's a failing grade in our school system. Teaching the ins and outs of managing money is a very powerful gift to give a young person."

The state, she said, is doing its children "a disservice by not providing them with the financial skills they need to support themselves such as how to balance a checkbook, budget, save and invest."

Fitch said she "definitely" expects a big push to pass financial literacy will occur in the 2014 legislative session. "I would like to see Mississippi become the fifth state to require a semester of financial literacy, not the 50th," she said. "It not only helps our students it helps our state."

Fitch, a former bond attorney who ran the Mississippi State Personnel Board before winning election as treasurer in 2011, announced her financial literacy instruction campaign last

November at the annual luncheon forum of the Mississippi Council on Economic Education. The council is a 10-year-old partnership with Mississippi's major universities that has trained "master" teachers in economics who have brought economic and financial instruction to about 800,000 students in the state's public, private and parochial schools.

Fitch said getting financial literacy included in the state's required curriculum would fulfill the vision of Mississippi Council on Economic Education founders former Gov. William Winter and John T. Dillion, chairman and CEO of International Paper. The two launched the statewide initiative a decade ago with the goal of requiring economics courses as a requirement for obtaining a high school diploma.

Without introducing each student to the ins-and-outs of spending, borrowing, budgeting household finances, "it's going to be pretty tough for them to move along in life," she told the forum audience.

"Let's change the culture... and I think it starts with financial literacy," added Fitch, only the second woman to serve as Mississippi's state treasurer.

Four states — Virginia, Tennessee, Missouri and Utah — require a semester of instruction in personal finance. An additional 19 states require the training to be incorporated into other classroom instruction, according to the Jump\$tart Coalition for Personal Financial Literacy.

As Fitch sets out to rev up support for mandatory financial instruction, the Council on Economic Education "will continue to draw in as many new students as possible as an elective," said Selena Swartzfager, council president.