
SENATE COMMITTEE ON EDUCATION

Senator Sasha Renée Pérez, Chair

2025 - 2026 Regular

Bill No:	SB 1147	Hearing Date:	April 22, 2026
Author:	Ochoa Bogh		
Version:	March 24, 2026		
Urgency:	No	Fiscal:	No
Consultant:	Therresa Austin		

Subject: Pupil instruction: high school graduation requirements: personal finance.

SUMMARY

This bill authorizes a local educational agency (LEA) to meet the existing personal finance course provision requirement, if it elects to offer an integrated, year-long course that is equivalent in quality and rigor to a stand-alone one-semester course, and has a course scope that includes, at minimum, a specified set of topics related to personal finance.

BACKGROUND

Existing law:

- 1) Requires a student to complete all of the following while in grades 9-12 in order to receive a diploma of graduation from high school (each course having a duration of one year unless otherwise specified):
 - a) Three courses in English.
 - b) Two courses in science, including biological and physical science.
 - c) Two courses in mathematics.
 - d) Three courses in social sciences, including United States History and geography; world history, culture, and geography; a one-semester course in American government and civics; and a one-semester course in economics.
 - e) One course in visual or performing arts, world language, or career technical education.
 - f) Two courses in physical education, unless the student has been exempt, as specified.
 - g) A one-semester course in ethnic studies beginning with students graduating in the 2029-2030 school year.
 - h) A separate, stand-alone one-semester course in personal finance that shall not be combined with any other course, beginning with students graduating in the 2030-2031 school year.

- i) Other coursework requirements adopted by the governing board of the school district. (Education Code (EC) § 51225.3)
- 2) With respect to (i) above, authorizes the governing board of a school district to, at its discretion, adopt a policy to exempt students from any additional coursework requirements it adopts. Establishes that it is the intent of the Legislature that the policy include a consultation with the student and the educational rights holder for the student regarding any impact of not fulfilling locally required coursework on the student's ability to gain admission to an institution of higher education. (EC § 51225.3(a)(2)(B))
 - 3) Requires the Instructional Quality Commission (IQC) to consider when the History-Social Science framework is revised after January 1, 2017, to consider including age appropriate information on financial literacy, including, but not limited to, the following:
 - a) Fundamentals of banking for personal use, including, but not limited to, savings and checking, and managing to minimize fees.
 - b) Principles of budgeting for independent living.
 - c) Employment and understanding factors that affect net income, including the topics covered during Workplace Readiness Week.
 - d) Uses and effects of credit, including managing credit scores and the relation of debt and interest to credit.
 - e) Uses and costs of loans, including student loans, as well as policies that provide student loan forgiveness.
 - f) Types and costs of insurance, including home, auto, health, and life insurance.
 - g) Impacts of the tax system, including its impact on personal income, the process to file taxes, and how to read tax forms and pay stubs.
 - h) Principles of investing and building wealth, including investment alternatives to build financial security, including tax-advantaged investments such as pensions and 401(k) plans, individual retirement accounts (IRAs), stocks, bonds, mutual funds, and index funds.
 - i) Enhancing consumer protection skills by raising awareness of common scams and frauds and preventing identity theft.
 - j) Identifying means to finance college, workforce education, low-cost community college options, and other career technical educational pathways or apprenticeships, as specified.
 - k) Understanding how psychology can impact one's financial well-being.

- l) Charitable giving.
 - m) Other topics that are directly and specifically relevant to personal finance. (EC § 51284.5)
- 4) Requires, on or before May 31, 2026, the State Board of Education (SBE) to adopt a curriculum guide and resources for a separate, stand-alone one-semester course in personal finance course based on the IQC recommendation that include content specified in #3 above. (EC § 51226.8)
 - 5) Authorizes an LEA to exempt a pupil who completes a separate, stand-alone one-semester course in personal finance, that is not combined with any other course, from the graduation requirement to complete a one-semester course in economics. (EC § 51225.3 (a)(1)(H))
 - 6) Authorizes an LEA to elect to eliminate one or more locally required courses, as specified, in order to accommodate the stand-alone one-semester personal finance course requirement. States that this is declarative of existing law. (EC § 51225.3 (a)(1)(H))
 - 7) Requires an LEA, including a charter school, with pupils in grades 9 to 12, to offer a separate, stand-alone one-semester course in personal finance that meet the requirements specified in 1), that cannot be combined with any other course beginning 2027-28 school year and with pupils graduating the 2030-31 school year. (EC § 51225.3 (a)(1)(H))

ANALYSIS

This bill:

- 1) States that if an LEA that elects to offer a personal finance course as part of an integrated, year-long course that is equivalent in quality and rigor to a stand-alone one-semester course in personal finance and has a course scope that, at minimum, meets the course scope of a one-semester course, as specified, then the course shall satisfy any of the following:
 - a) The personal finance course graduation requirement, as specified.
 - b) The authorization to exempt a pupil from the graduation requirement of completing a one-semester course in economics.
 - c) The one semester personal finance course offering requirement.
- 2) Authorizes an LEA that elects to offer a one-year course pursuant to #1 above to also award credit for coursework in that year-long course in the subject that the course is offered, including, if applicable, credit towards satisfying a course required for a diploma of graduation.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, “SB 1147 will allow California’s LEAs to build on their commitment to financial literacy by allowing high school students to take a more comprehensive, yearlong personal finance course that can be integrated with subjects such as economics, business, or mathematics to meet the graduation requirement. While the state has taken an important first step by requiring a one semester stand-alone course in financial literacy, SB 1147 will allow students to have true financial preparedness with deeper instruction in the classroom. This will ensure students can better understand critical concepts and career planning which are skills that are essential for long-term stability and success in college and into adulthood. At a time when many young adults report feeling unprepared to manage their finances, SB 1147 will help close gaps by allowing LEAs to expand and offer greater learning opportunities in financial literacy.”
- 2) ***The Personal Finance graduation requirement.*** In 2024, the Legislature passed AB 2927 (McCarty, Chapter 37, Statutes of 2024), establishing a new high school graduation requirement mandating all students, beginning with the graduating class of 2030-2031, to complete a one-semester, stand-alone course in personal finance. In turn, by 2027–28, all districts that serve high school students are required to offer at least one semester-long, stand-alone course in personal finance that is not combined with any other course, and that is designed to include all of, *and only*, the 13 topics outlined in EC Section 51284.5 (see #3 in the *Existing Law* section above).

Importantly, AB 2927 was the result of extensive conversations between the Legislature, education stakeholders, and an organization called Next Gen Personal Finance, which initially considered moving a ballot initiative to advance what ultimately became the provisions of this bill. Among the closely debated provisions was the particular focus on the personal finance course as a *stand-alone, semester-long course*. As the veto message of a previous personal finance graduation requirement bill (AB 858 (Dababneh, 2017)) noted, personal finance and financial literacy were historically included in the History-Social Science Framework (Framework). Proponents of the proposed ballot measure argued that simply including personal finance instruction in the Framework was insufficient, as it would have to contend with all the other topics the Framework covers. By moving forward with language that requires the course to stand alone and include all of, and only, the 13 personal finance topics identified in statute, the proponents’ concerns about the crowding out or dilution of personal finance instruction were generally addressed.

This bill seeks to provide flexibility to LEAs that elect to offer a year-long personal finance course that exceeds the statutory minimum in both length and scope. While Topic 13 (*or m* within #3 of the *Existing Law* section) authorizes the coverage of other topics that are directly and specifically relevant to personal finance, concerns have been raised by entities like the College Board that this language is too restrictive if an LEA elects to provide a year-long course in personal finance.

- 3) **California's recently adopted Personal Finance Curriculum Guide.** On March 11, 2026, the SBE adopted the Personal Finance Curriculum Guide to support educators, administrators, curriculum specialists, and district leaders as they implement California's new high school graduation requirement: a stand-alone, one-semester course in personal finance.

The curriculum guide contains several helpful tools for implementation, including but not limited to:

- a) An overview and rationale for the 13 essential content areas required in every California high school personal finance course;
- b) LEA tools for planning, staffing, A–G course submission, phased rollout, and local adaptation, including decision guides, vignettes, and sample structures;
- c) Guidance on selecting and customizing instructional materials; and
- d) Information on professional learning opportunities, from foundational onboarding to advanced content certification.

The adopted curriculum guide also provides educators with guidance on additional content permitted by Topic 13's flexibility. These include digital finance (e.g., online banking and digital wallets), cryptocurrency, renting an apartment, California-specific salary information, purchasing versus leasing a vehicle, predatory lending, buying a home, and other California-specific financial programs such as the CA Dream Act and Cal Grant.

This bill would authorize an LEA to offer a personal finance course as part of an integrated, year-long course that is equivalent in quality and rigor to a semester-long course and that has a course scope that covers, at a minimum, the 13 topics required in statute.

- 4) **Awarding additional credit.** AB 2927 requires all LEAs serving high school students to offer at least one semester-long, stand-alone personal finance course *that is not combined with any other course*. This bill seeks to authorize LEAs that offer a year-long personal finance course to also award students with credit toward satisfying a separate graduation requirement, if the course covers applicable content.

At present, the only other course required for graduation that can explicitly be awarded credit towards a separate graduation requirement is the ethnic studies graduation requirement. This is in recognition of course offerings such as Advanced Placement (AP) African American Studies, which, hypothetically, a student could complete to satisfy their ethnic studies graduation requirement while simultaneously receiving credit for a social studies graduation requirement. When the ethnic studies graduation requirement was established in the Education Code, it was specified that its operability, as well as the accompanying flexibilities, would be contingent upon an appropriation by the Legislature. As of

today, that appropriation has not been made. This ultimately means that the authorization for LEAs to award additional credit toward satisfying graduation requirements contained in this bill would be the first *operative* instance in which that flexibility is authorized.

Notably, this bill largely restates existing law, which allows LEAs to offer a year-long course in personal finance and waive the one-semester economics graduation requirement for students who complete a stand-alone course in personal finance, beginning with the graduating class of 2030-31. In recognition of the concerns discussed in Comment 2 regarding a dilution or crowding out of personal finance instruction if the standalone nature of the course was not maintained, the *committee recommends, and the author agrees to amend the bill as follows:*

- *Strike the provision authorizing LEAs to award credit for an additional course required for graduation.*

5) ***Prior and related legislation.***

AB 2927 (McCarty, Chapter 37, Statutes of 2024) requires students, as an urgency measure, including those enrolled in charter schools, commencing with students graduating in the 2030–31 school year, to complete a one-semester course in personal finance, and requires all high schools, commencing with the 2027–28 school year, to offer a one-semester course in personal finance.

AB 2546 (Ian Calderon, Chapter 616, Statutes of 2016) requires that, when the History-Social Science Framework is revised after January 1, 2017, the IQC consider including specified content on financial literacy.

SUPPORT

College Board (sponsor)
 Alameda County Office of Education
 Alpaugh Unified School District
 Aromas-San Juan Unified School District
 Brea Chamber of Commerce
 Butte Valley Unified School District
 Calaveras Unified School District
 Calexico Unified School District
 California County Superintendents
 Campbell Union High School District
 Centinela Valley Union High School District
 Ceres Unified School District
 Charter Oak Unified School District
 Chawanakee Unified School District
 Chowchilla Union High School District
 Corona Chamber of Commerce
 Council on Economic Education
 Cuyama Joint Unified School District
 Denair Unified School District

Dos Palos - Oro Loma Joint Unified School District
Downey Unified School District
Dublin Unified School District
El Rancho Unified School District
Esparto Unified School District
Fall River Joint Unified School District
Fresno Unified School District
Garden Grove Unified School District
Gridley Unified School District
Grossmont Union High School District
Kern County Superintendent of Schools Office
Lodi Unified School District
Lompoc Unified School District
Los Banos Unified School District
Lynwood Unified School District
Maricopa Unified School District
Monrovia Unified School District
Murrieta Valley Unified School District
Napa Valley Unified School District
Nevada Joint Union High School District
Northern Humboldt Union High School District
Novato Unified School District
Palo Verde Unified School District
Palos Verdes Peninsula Unified School District
Pasadena Unified School District
Piedmont Unified School District
Pierce Joint Unified School District
Point Arena Joint Union High School District
River Delta Unified School District
Sacramento Metropolitan Chamber of Commerce
San Benito High School District
San Diego Unified School District
San Juan Unified School District
Santa Barbara South Coast Chamber of Commerce
Scott Valley Unified School District
Sierra Unified School District
Simi Valley Unified School District
Snowline Joint Unified School District
Southwest California Legislative Council
Tehachapi Unified School District
Temple City Unified School District
Wheatland Union High School District
Woodland Joint Unified School District

OPPOSITION

None received

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