

Clearinghouse Rule 24-075

PROPOSED ORDER OF THE STATE SUPERINTENDENT OF PUBLIC INSTRUCTION AMENDING RULES

The scope statement for this rule, SS 032-24, was published in Register No. 819B, on March 25, 2024, and approved by State Superintendent Jill K. Underly on April 8, 2024.

The State Superintendent of Public Instruction hereby proposes an order to create s. PI 18.03 (7), relating to changes to graduation requirements as a result of 2023 Wisconsin Act 60.

ANALYSIS BY THE DEPARTMENT OF PUBLIC INSTRUCTION

Statute interpreted: s. 118.33 (1)(a) 1. f., Wis. Stats.

Statutory authority: s. 118.33 (2) and (4), Wis. Stats.

Explanation of agency authority:

The Superintendent of Public Instruction has statutory authority to establish course requirements as criteria for graduation from high school, and procedures for reviewing and certifying compliance with those course requirements, under s. 118.33 (2) and (4), Wis. Stats.

Related statute or rule:

N/A

Plain language analysis:

The proposed rule is a technical change to conform ch. PI 18 of the Wisconsin Administrative Code with the changes to statute as a result of 2023 Wisconsin Act 60, relating to requiring one-half credit of personal financial literacy for high school graduation. The proposed rule incorporates the statutory requirement that one-half credit of personal financial literacy, that includes financial mindset, education and employment, money management, saving and investing, credit and debt, and risk management and insurance, be included as a criterion for high school graduation.

Summary of, and comparison with, existing or proposed federal regulations:

Because education in the United States is typically governed by each state and local government, federal regulations are generally silent with respect to high school graduation standards. As a result, high school graduation standards vary by state.

Summary of any public comments and feedback on the statement of scope for the proposed rule that the agency received at a preliminary public hearing and comment period held and a description of how and to what extent the agency took those comments into account and drafting the proposed rule:

The Department held a preliminary public hearing and comment period on April 5, 2024, and received comments on the statement of scope for the proposed rule. A summary of comments and the Department's response to those comments are as follows:

- One respondent has raised a concern regarding the scope of changes resulting from 2023 Wisconsin Act 60 within the department's rules. Specifically, the respondent requested that the department clarify in rule that the

amendments brought about by 2023 Act 60 pertain solely to public schools and do not extend to private schools. This clarification is deemed necessary due to reported confusion among schools and ensure that schools understand the scope and applicability of 2023 Act 60 to their operations.

Agency Response: The purpose of ch. PI 18, Wis. Admin. Code, is to establish course requirements aligning with graduation standards for public schools. The proposed rule aims to bring this chapter in line with recent statutory changes applicable to school boards of public school districts. Independent charter schools and private schools are not subject to the requirements of s. 118.33 (1) (a), Wis. Stats., which includes the credit requirement for personal financial literacy for high school graduation. This requirement does apply, however, to school district-authorized charter schools. Further information may be found on the department's website at <https://dpi.wi.gov/finance/pfl-faq>. No further clarification with respect to the rule change is necessary.

Comparison with rules in adjacent states:

- Illinois: There are no comparable rules governing personal financial literacy as a requirement for graduation in Illinois. However, Illinois statute requires students to complete two years of courses in the social sciences to receive a high school diploma. A financial literacy course may count toward this requirement.
- Iowa: Under 281-IAC 12.5 (5), all students shall complete at least one-half unit of personal finance literacy as a condition of graduation.
- Michigan: There are no comparable rules governing personal financial literacy as a requirement for graduation in Michigan. However, Michigan statute requires that students must complete at least three credits in social science which must include at least one-half credit in economics. For only pupils entering grade 8 before 2023, the half-credit economics requirement may be satisfied by completion of at least a half-credit course in personal economics that includes a financial literacy component, if that course covers the subject area content expectations for economics developed by the department and approved by the state board.
- Minnesota: There are no comparable rules or statutes governing personal financial literacy as a requirement for graduation in Minnesota.

Summary of factual data and analytical methodologies:

Chapter PI 18 of the Wisconsin Administrative Code establishes course requirements to meet the statutory graduation standards, including accommodations for pupils with exceptional educational interests, needs, or requirements; to establish procedures by which boards will submit reports describing the boards' policies on high school graduation standards to the department; and to establish procedures by which those policies are certified by the board and reviewed by the state superintendent, and by which equivalent policies are approved by the state superintendent. Chapter PI 18 was promulgated to effectuate s. 118.33, Wis. Stats., relating to high school graduation standards and criteria for promotion. Since the rules were promulgated, 2023 Wisconsin Act 60 was adopted and amended s. 118.33, Wis. Stats., creating an additional requirement for students to complete at least 0.5 credit of personal financial literacy. The course must include financial mindset, education and employment, money management, saving and investing, credit and debt, and risk management and insurance. Further, the requirement first applies to students graduating from high school in 2028.

The proposed rule is a technical change to conform ch. PI 18 of the Wisconsin Administrative Code with the statutory changes as a result of 2023 Wisconsin Act 60. Specifically, the proposed rule incorporates the requirement created by the Act that one-half credit of personal financial literacy be included as a criteria for high school graduation. The rule change is designed to update department rules by conforming it with changes in statute. Without a rule change, the department will have rules that are not fully aligned with the statutes.

Analysis and supporting documents used to determine effect on small business or in preparation of economic impact report:

N/A

Anticipated costs incurred by private sector:

N/A

Effect on small business:

The proposed rules will have no significant economic impact on small businesses, as defined in s. 227.114 (1) (a), Stats.

Agency contact person: (including email and telephone)

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Place where comments are to be submitted and deadline for submission:

As provided in s. 227.16 (2) (b), Stats., there is no requirement that a public hearing be held for this rule because the proposed rule brings an existing rule into conformity with a statute that has been changed. However, written comments on the rule may be submitted until October 28, 2024, by completing the form on the Legislature’s website.

RULE TEXT

SECTION 1. PI 18.03 (7) is created to read:

PI 18.03 (7) The personal financial literacy credits required under s. 118.33 (1) (a), Stats., shall incorporate instruction in financial mindset, education and employment, money management, saving and investing, credit and debt, and risk management and insurance.

SECTION 2. EFFECTIVE DATE:

The proposed rules contained in this order shall take effect on the first day of the month commencing after the date of publication in the Wisconsin Administrative Register, as provided in s. 227.22 (2) (intro.), Stats.

Dated this _____ day of _____, 2025

Jill K. Underly, PhD
State Superintendent