2026 NATIONAL REPORT CARD

Iowa

CLASS OF 2026 GRADE	PROJECTED CLASS OF 2031 GRADE
A	A

GRADUATION REQUIREMENTS

Is a high school course with personal finance concepts required to be taken as a graduation requirement?

Yes, in 2018 a law was passed requiring high school students to *"complete at least one-half unit (a half-year course) of personal finance literacy as a condition of graduation."* The law allowed districts to meet this requirement using units of coursework from multiple courses to meet this half-unit requirement. In 2019 another law was passed requiring all students, beginning with the students in the 2020—2021 academic year graduating class, to complete a standalone one-half unit of personal finance literacy as a condition of graduation. Surprisingly, this substantive requirement to take a standalone course in personal finance was reversed. In May 2023, the law was amended in a material manner that research shows is not as effective (content embedded in multiple courses rather than as a standalone offering). The 2023 law allows this one-half unit requirement to be met through a combination of units of coursework in multiple high school courses. In November of 2024 the Iowa Department of Education (IDOE) issued guidance on this topic stating: *"Completion of one-half unit (course) of Personal Financial Literacy is no longer a condition for graduation. Districts are required to offer-and-teach one-half unit (course) of Personal Financial Literacy. The one-half unit (course) may be a standalone course or the content may be integrated into units (courses) through existing coursework. Existing coursework could include science, mathematics, social studies, English or career and technical education."* The guidance document indicates that 14 different courses titles can be used to meet this financial literacy offering mandate. Although this report is giving Iowa a grade A, we have grave concerns that financial literacy education in Iowa is not being equitably taught to all high school students. *NGPF's 2026 State of Financial Education Report* indicates 68.8% of Iowa high school students attend schools with a standalone course graduation requirement and that nearly a third (31.2%) of high school students in Iowa are likely getting this education in a much less effective embedded multi-course delivery system.

Sources:

- SF 2415 2018 Law (pages 20—22)
- SF 139 2019 Law
- SF 391 2023 Law (pages 14-16)
- High School Education Program & Graduation Requirements
- Iowa Administrative Code 281-12.5(k)
- High School Education Program and Graduation Requirements Guidance
- Financial Literacy Instruction Webpage
- Financial Literacy Guidance (November 2024—includes list of 14 courses)
- NGPF's 2026 State of Financial Education Report

CONTINUED ON NEXT PAGE

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HIGH SCHOOL EDUCATION STANDARDS

Iowa financial literacy education standards are included in five 21st Century Skills that Iowa students should have access to in public school (these also include civic, health and technology literacy and employability skills). State law indicates the topics that should be taught. Financial literacy standards are incorporated into the Iowa Social Studies Standards. The standards cover many specific topics that are consistent with national financial literacy education standards. A financial literacy guidance documents indicates that high school educators that can teach *"science, mathematics, social studies, English or career and technical education"* can teach personal finance content as well.

Sources:

- 21st Century Skills
- SF 391 2023 Law
- Financial Literacy
- Social Studies Standards
- Iowa Academic Standards for Social Studies (141-148)
- Financial Literacy Guidance

PROJECTED GRADE FOR CLASS OF 2031

No policy change is pending that would change Iowa's grade. However, we will be monitoring this situation very closely to try to determine whether a multi-course delivery system is, in fact, equivalent to a standalone course requirement. In addition, in future reports, we may decide modify our grading system for Grade A states as it applies to Iowa's unique fact pattern.

PRE-K TO GRADE EIGHT EDUCATION STANDARDS

Iowa's social studies standards require financial literacy topics to be taught each year in grades K to eight. The Iowa Social Studies Academic Standards are required to be taught to all students by state law.

Sources:

- Iowa Academic Standards for Social Studies

EXTRA CREDIT

The Iowa Department of Education has financial literacy resources on its Financial Literacy Instruction webpage.

Sources:

- Financial Literacy Resources (scroll down)

CAVEAT

Research indicates that a standalone course requirement is a more effective way of providing personal finance education to high school students than embedding this content in multiple courses. It is unclear how Iowa will ensure that each local school district is, in fact, delivering the equivalent of a half-year course in personal finance, particularly in local school districts that do not offer a standalone personal finance course. A local school district could meet the half-year requirement with many combinations of classes (14 identified courses). This could be done through a combination of units of coursework in locally required social studies, mathematics, and career and technical education courses. It is not clear how Iowa measures student achievement in financial literacy or how the state monitors local school district implementation of the financial literacy education requirement to ensure that all student have equitable access to this important content.

Sources:

- Financial Literacy Guidance