

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 HOUSE BILL 1694

By: Martin, Munson and Hall of  
the House

6 and

7 Stanislawski of the Senate

8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to financial literacy; amending 70  
11 O.S. 2011, Section 11-103.6h, as amended by Section  
12 1, Chapter 239, O.S.L. 2015 (70 O.S. Supp. 2016,  
13 Section 11-103.6h), which relates to the Passport to  
14 Financial Literacy Act; modifying areas of  
15 instruction of personal financial literacy education;  
16 changing grades during which personal financial  
17 literacy education is to be taken and provided after  
18 certain date; updating statutory language; modifying  
19 State Department of Education duties; authorizing the  
20 Department of Education to use certain funds for  
21 certain purpose; permitting the Department of  
22 Education to contract or work with third-party  
23 organization for certain purpose; changing type of  
24 online resources; changing grade for assessment of  
transfer students; modifying teacher assignment  
requirement; requiring certain teachers to complete  
certain professional development; amending 59 O.S.  
2011, Section 3119, which relates to lender payments  
deposited into the Consumer Credit Counseling  
Revolving Fund; modifying certain fee amount; adding  
deposit into the Personal Financial Literacy  
Education Revolving Fund; specifying amount of fee to  
be deposited into each fund; clarifying statutory  
language; stating use of funds deposited in the  
Personal Financial Literacy Education Revolving Fund;  
requiring lenders to pay fee to the Office of the  
State Treasurer quarterly; creating the Personal  
Financial Literacy Education Revolving Fund; making

1 the fund a continuing fund; stating source of  
2 funding; providing for appropriation, budgeting and  
3 expenditure of monies; stating purposes; requiring  
4 expenditures to be on warrants; providing for  
5 codification; providing an effective date; and  
6 declaring an emergency.

6 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

7 SECTION 1. AMENDATORY 70 O.S. 2011, Section 11-103.6h,  
8 as amended by Section 1, Chapter 239, O.S.L. 2015 (70 O.S. Supp.  
9 2016, Section 11-103.6h), is amended to read as follows:

10 Section 11-103.6h. A. Personal financial literacy education  
11 shall be taught in the public schools of this state. Personal  
12 financial literacy education shall include, but is not limited to,  
13 the following areas of instruction:

14 1. Understanding interest, credit card debt, and online  
15 commerce;

16 2. Rights and responsibilities of renting or buying a home;

17 3. Savings and investing;

18 4. Planning for retirement;

19 5. Bankruptcy;

20 6. Banking and financial services;

21 7. ~~Balancing a checkbook~~ Managing a bank account;

22 8. Understanding the Free Application for Federal Student Aid  
23 (FAFSA), loans and borrowing money, including predatory lending and  
24 payday loans;

- 1 9. Understanding insurance;
- 2 10. Identity fraud and theft;
- 3 11. Charitable giving;
- 4 12. Understanding the financial impact and consequences of
- 5 gambling;
- 6 13. Earning an income; and
- 7 14. Understanding state and federal taxes.

8 B. In order to graduate from a public high school accredited by  
9 the State Board of Education with a standard diploma, students shall  
10 fulfill the requirements for a personal financial literacy passport.  
11 The requirements for a personal financial literacy passport shall be  
12 satisfactory completion in all areas of instruction in personal  
13 financial literacy as listed in subsection A of this section ~~during~~  
14 ~~grades seven through twelve~~ or demonstration of satisfactory  
15 knowledge as provided for in subsection E of this section. Through  
16 the end of the 2019-2020 school year, the requirements for a  
17 personal financial literacy passport as provided for in this  
18 subsection shall be completed during grades seven through twelve.  
19 Beginning with the 2020-2021 school year, the requirements for a  
20 personal financial literacy passport as provided for in this  
21 subsection shall be completed during grades nine through twelve.

22 C. ~~School~~ Through the end of the 2019-2020 school year, school  
23 districts shall provide instruction in personal financial literacy  
24 to students during grades seven through twelve. School districts

1 shall have the option of determining when each area of instruction  
2 listed in subsection A of this section shall be presented to  
3 students. Beginning with the 2020-2021 school year school,  
4 districts shall provide instruction in personal financial literacy  
5 to students during grades nine through twelve.

6 D. Personal financial literacy instruction shall be integrated  
7 into one or more existing courses of study or provided in a separate  
8 personal financial literacy course. School districts shall have the  
9 option of determining into which course or courses each area of  
10 instruction listed in subsection A of this section shall be  
11 integrated.

12 E. Students with the most significant cognitive disabilities  
13 (MSCD) who have an Individualized Education Program (IEP) that  
14 directs that the student is to be assessed with alternate  
15 achievements standards through the Oklahoma Alternative Assessment  
16 Program may demonstrate satisfactory knowledge in each area of  
17 instruction listed in subsection A of this section upon a  
18 determination, supported by documentation, by the school district  
19 that the student has met the following criteria:

20 1. Receives substantive and substantial instruction in life-  
21 skills curriculum; and

22 2. Demonstrates the acquired knowledge of the student with MSCD  
23 by alternate measures as required by the IEP.

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1 F. The State Board of Education shall identify and adopt  
2 curriculum standards for personal financial literacy instruction  
3 that reflect the areas of instruction listed in subsection A of this  
4 section. The standards shall be incorporated into the state  
5 academic content standards adopted by the Board pursuant to Section  
6 11-103.6 of this title ~~and known as the Priority Academic Student~~  
7 ~~Skills Curriculum.~~

8 G. The State Department of Education shall:

9 1. Develop guidelines and material designed to enable schools  
10 to infuse personal financial literacy within any course of study  
11 currently offered by the school district or offer personal financial  
12 literacy as a separate course. The guidelines shall outline the  
13 areas of instruction to be taught based on the curriculum standards  
14 adopted by the Board;

15 2. Develop professional development programs that are designed  
16 to help teachers provide instruction in personal financial literacy  
17 and incorporate the curriculum into an existing course or courses or  
18 develop curriculum for a separate personal financial literacy  
19 course;

20 3. Provide and identify resources, including ~~on-line modules~~  
21 online curricula, for integrating the teaching of personal financial  
22 literacy into an existing course or courses of study or for  
23 developing a separate personal financial literacy course. ~~The on-~~  
24 ~~line modules~~ Any online curricula provided or identified by the

1 Department shall include an assessment component for each area of  
2 instruction listed in subsection A of this section; ~~and~~

3 4. Provide and identify resources, including ~~on-line modules~~  
4 online curricula, and materials designed to enable students  
5 identified as English language learners to understand and use the  
6 personal financial literacy information presented; and

7 5. Utilize funds deposited into the Personal Financial Literacy  
8 Education Revolving Fund created in Section 5 of this act for the  
9 purpose of and to fund the Passport to Financial Literacy Act. Such  
10 funds may be used for developing and providing guidelines, materials  
11 and resources for personal financial literacy for students and  
12 teachers including, but not limited to, online curricula, training  
13 and professional development for teachers in the area of personal  
14 financial literacy as required in subsection G of Section 11-103.6h  
15 of Title 70 of the Oklahoma Statutes. The Department may use such  
16 funds to contract or work in conjunction with a third-party,  
17 Oklahoma-based not-for-profit organization that has proven expertise  
18 in the development of standards and curricula. The Department may  
19 further use a third-party organization to deliver professional  
20 development for teachers in the area of personal financial literacy.

21 H. The Department may work with one or more not-for-profit  
22 organizations that have proven expertise in the development of  
23 standards and curriculum and delivery of teacher professional  
24 development in personal financial literacy for the purpose of

1 developing and providing guidelines, materials, resources, including  
2 ~~on-line modules~~ online curricula, and professional development.

3 I. 1. For students who transfer into an Oklahoma school  
4 district prior to the 2020-2021 school year from out of state after  
5 the seventh grade and who transfer into an Oklahoma school beginning  
6 with the 2020-2021 school year from out-of-state after the ninth  
7 grade, school districts shall assess the knowledge of the student in  
8 each of the areas of instruction listed in subsection A of this  
9 section. If the school district determines that the transferred  
10 student has successfully completed instruction in any or all of the  
11 areas of personal financial literacy instruction at a previous  
12 school in which the student was enrolled or if the student  
13 demonstrates satisfactory knowledge of any or all of the areas of  
14 personal financial literacy instruction through an assessment, the  
15 school district may exempt the student from completing instruction  
16 in that area of personal financial literacy instruction. School  
17 districts may use the assessment contained in the ~~on-line modules~~  
18 online curricula provided or identified by the State Department of  
19 Education pursuant to subsection G of this section to determine the  
20 personal financial literacy knowledge level of the student. School  
21 districts may also use the ~~on-line modules~~ online curricula to  
22 present an area of instruction to transferred students who have not  
23 completed or who did not demonstrate satisfactory knowledge in one  
24 or more of the areas of personal financial literacy instruction.

1           2. For students who transfer into an Oklahoma school district  
2 from out of state after the junior year of high school, school  
3 districts may make an exception to the requirements for a personal  
4 financial literacy passport pursuant to the provisions of Section  
5 11-103.6 of this title.

6           J. The State Textbook Committee created in Section 16-101 of  
7 this title may, when selecting textbooks for mathematics, economics,  
8 or similar courses, select those textbooks which contain substantive  
9 provisions on personal finance.

10          K. In order to deliver high-quality consistent personal  
11 financial literacy instruction, school districts ~~are encouraged~~  
12 shall to the extent possible assign the responsibility for teaching  
13 personal financial literacy to the same teacher or teachers on a  
14 continuing basis.

15          L. Beginning with the 2020-2021 school year, all teachers who  
16 are assigned the responsibility for teaching personal financial  
17 literacy shall complete ongoing professional development training in  
18 the areas of personal financial literacy instruction in accordance  
19 with guidelines established by the State Department of Education.

20          SECTION 2.           AMENDATORY           59 O.S. 2011, Section 3119, is  
21 amended to read as follows:

22          Section 3119. A. Each lender shall pay ~~five cents (\$0.05)~~  
23 thirty cents (\$0.30) for each deferred deposit loan entered into to  
24 be deposited into the Consumer Credit Counseling Revolving Fund and



1 the Personal Financial Literacy Education Revolving Fund created in  
2 Section 5 of this act as follows:

3 1. Eight cents (\$0.08) of each thirty-cent payment shall be  
4 deposited into the Consumer Credit Counseling Revolving Fund; and

5 2. Twenty-two cents (\$0.22) of each thirty-cent payment shall  
6 be paid to the Office of the State Treasurer for deposit into the  
7 Personal Financial Literacy Education Revolving Fund.

8 B. The schedule for payment into the Consumer Credit Counseling  
9 Revolving Fund shall be determined by the Administrator of Consumer  
10 Credit. The schedule for payments to the Office of the State  
11 Treasurer for deposit into the Personal Financial Literacy Education  
12 Revolving Fund shall be made by each lender quarterly. Lenders  
13 shall be prohibited from including such ~~payment~~ payments in the fees  
14 and charges provided for under Section 3108 of this title.

15 C. Ten percent (10%) of each scheduled payment of fees pursuant  
16 to this section made into the Consumer Credit Counseling Revolving  
17 Fund may be transferred to the Consumer Credit Administrative  
18 Expenses Revolving Fund established in Section 6-301 of Title 14A of  
19 the Oklahoma Statutes for expenses incurred by the Administrator of  
20 Consumer Credit in administering the requirements of subsection D of  
21 this section.

22 ~~B.~~ D. Funds collected and deposited in the Consumer Credit  
23 Counseling Revolving Fund pursuant to this section shall be paid by  
24 the Administrator of Consumer Credit to a third-party, Oklahoma-

1 based consumer credit counseling provider with a verifiable history  
2 of work with both industry and consumers in the appropriate field  
3 for a program of research and implementation of voluntary consumer  
4 counseling and education specifically designed for consumers  
5 utilizing deferred deposit loans. The program shall be:

6 1. Selected by a bid process, pursuant to The Oklahoma Central  
7 Purchasing Act; and

8 2. Designed in consultation with representatives of both the  
9 industry and consumers.

10 E. Funds paid to the Office of the State Treasurer for deposit  
11 into the Personal Financial Literacy Education Revolving Fund  
12 pursuant to this section shall be used by the State Department of  
13 Education for purposes provided in Section 11-103.6h of Title 70 of  
14 the Oklahoma Statutes.

15 SECTION 3. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 11-103.6h-1 of Title 70, unless  
17 there is created a duplication in numbering, reads as follows:

18 There is hereby created in the State Treasury a revolving fund  
19 for the State Department of Education to be designated the "Personal  
20 Financial Literacy Education Revolving Fund". The fund shall be a  
21 continuing fund, not subject to fiscal year limitations, and shall  
22 consist of all monies directed to be deposited in the fund pursuant  
23 to Section 3119 of Title 59 of the Oklahoma Statutes and any other  
24 monies received by the Department for such purpose from any other

1 public or private source. All monies accruing to the credit of said  
2 fund are hereby appropriated and may be budgeted and expended by the  
3 Department for the purposes set forth in Section 11-103.6h of Title  
4 70 of the Oklahoma Statutes. Expenditures from said fund shall be  
5 made upon warrants issued by the State Treasurer against claims  
6 filed as prescribed by law with the Director of the Office of  
7 Management and Enterprise Services for approval and payment.

8 SECTION 4. This act shall become effective July 1, 2017.

9 SECTION 5. It being immediately necessary for the preservation  
10 of the public peace, health or safety, an emergency is hereby  
11 declared to exist, by reason whereof this act shall take effect and  
12 be in full force from and after its passage and approval.

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