

1                                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   2nd Session of the 55th Legislature (2016)

4 COMMITTEE SUBSTITUTE

5 FOR

6 HOUSE BILL NO. 2515

By: Coody (Ann) of the House

and

Stanislawski of the Senate

8  
9  
10  
11                                   COMMITTEE SUBSTITUTE

12                                   An Act relating to financial literacy; amending 70  
13                                   O.S. 2011, Section 11-103.6h, as amended by Section  
14                                   1, Chapter 239, O.S.L. 2015 (70 O.S. Supp. 2015,  
15                                   Section 11-103.6h), which relates to the Passport to  
16                                   Financial Literacy Act; modifying areas of  
17                                   instruction of personal financial literacy education;  
18                                   changing grades during which personal financial  
19                                   literacy education is to be taken and provided after  
20                                   certain date; updating statutory language; modifying  
21                                   State Department of Education duties; changing type  
22                                   of online resources; changing grade for assessment of  
23                                   transfer students; modifying teacher assignment  
24                                   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 amount of deposit; adding  
                                  deposit into the Personal Financial Literacy  
                                  Education Revolving Fund; specifying amount of  
                                  deposit into each fund; clarifying statutory  
                                  language; stating use of funds deposited in the  
                                  Personal Financial Literacy Education Revolving Fund;  
                                  authorizing the Department to contract or work with  
                                  certain organizations; 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.

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

8 SECTION 1. AMENDATORY 70 O.S. 2011, Section 11-103.6h,  
9 as amended by Section 1, Chapter 239, O.S.L. 2015 (70 O.S. Supp.  
10 2015, Section 11-103.6h), is amended to read as follows:

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

- 15 1. Understanding interest, credit card debt, and online  
16 commerce;
- 17 2. Rights and responsibilities of renting or buying a home;
- 18 3. Savings and investing;
- 19 4. Planning for retirement;
- 20 5. Bankruptcy;
- 21 6. Banking and financial services;
- 22 7. ~~Balancing a checkbook~~ Managing a bank account;

1 8. Understanding the Free Application for Federal Student Aid  
2 (FAFSA), loans and borrowing money, including predatory lending and  
3 payday loans;

4 9. Understanding insurance;

5 10. Identity fraud and theft;

6 11. Charitable giving;

7 12. Understanding the financial impact and consequences of  
8 gambling;

9 13. Earning an income; and

10 14. Understanding state and federal taxes.

11 B. In order to graduate from a public high school accredited by  
12 the State Board of Education with a standard diploma, students shall  
13 fulfill the requirements for a personal financial literacy passport.  
14 The requirements for a personal financial literacy passport shall be  
15 satisfactory completion in all areas of instruction in personal  
16 financial literacy as listed in subsection A of this section ~~during~~  
17 ~~grades seven through twelve~~ or demonstration of satisfactory  
18 knowledge as provided for in subsection E of this section. Through  
19 the end of the 2018-2019 school year, the requirements for a  
20 personal financial literacy passport as provided for in this  
21 subsection shall be completed during grades seven through twelve.  
22 Beginning with the 2019-2020 school year the requirements for a  
23 personal financial literacy passport as provided for in this  
24 subsection shall be completed during grades nine through twelve.

1 C. ~~School~~ Through the end of the 2018-2019 school year, school  
2 districts shall provide instruction in personal financial literacy  
3 to students during grades seven through twelve. School districts  
4 shall have the option of determining when each area of instruction  
5 listed in subsection A of this section shall be presented to  
6 students. Beginning with the 2019-2020 school year school districts  
7 shall provide instruction in personal financial literacy to students  
8 during grades nine through twelve.

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

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

23 1. Receives substantive and substantial instruction in life-  
24 skills curriculum; and

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

3           F. The State Board of Education shall identify and adopt  
4 curriculum standards for personal financial literacy instruction  
5 that reflect the areas of instruction listed in subsection A of this  
6 section. The standards shall be incorporated into the state  
7 academic content standards adopted by the Board pursuant to Section  
8 11-103.6 of this title ~~and known as the Priority Academic Student~~  
9 ~~Skills Curriculum.~~

10          G. The State Department of Education shall:

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

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

22           3. Provide and identify resources, including ~~on-line modules~~  
23 online curriculum, for integrating the teaching of personal  
24 financial literacy into an existing course or courses of study or

1 for developing a separate personal financial literacy course. ~~The~~  
2 ~~on-line modules~~ Any online curriculum provided or identified by the  
3 Department shall include an assessment component for each area of  
4 instruction listed in subsection A of this section; and

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

9 H. The Department may work with one or more not-for-profit  
10 organizations that have proven expertise in the development of  
11 standards and curriculum and delivery of teacher professional  
12 development in personal financial literacy for the purpose of  
13 developing and providing guidelines, materials, resources, including  
14 ~~on-line modules~~ online curriculum, and professional development.

15 I. 1. For students who transfer into an Oklahoma school  
16 district prior to the 2019-2020 school year from out of state after  
17 the seventh grade and who transfer into an Oklahoma school beginning  
18 with the 2019-2020 school year from out of state after the ninth  
19 grade, school districts shall assess the knowledge of the student in  
20 each of the areas of instruction listed in subsection A of this  
21 section. If the school district determines that the transferred  
22 student has successfully completed instruction in any or all of the  
23 areas of personal financial literacy instruction at a previous  
24 school in which the student was enrolled or if the student

1 demonstrates satisfactory knowledge of any or all of the areas of  
2 personal financial literacy instruction through an assessment, the  
3 school district may exempt the student from completing instruction  
4 in that area of personal financial literacy instruction. School  
5 districts may use the assessment contained in the ~~on-line modules~~  
6 online curriculum provided or identified by the State Department of  
7 Education pursuant to subsection G of this section to determine the  
8 personal financial literacy knowledge level of the student. School  
9 districts may also use the ~~on-line modules~~ online curriculum to  
10 present an area of instruction to transferred students who have not  
11 completed or who did not demonstrate satisfactory knowledge in one  
12 or more of the areas of personal financial literacy instruction.

13 2. For students who transfer into an Oklahoma school district  
14 from out of state after the junior year of high school, school  
15 districts may make an exception to the requirements for a personal  
16 financial literacy passport pursuant to the provisions of Section  
17 11-103.6 of this title.

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

22 K. In order to deliver high-quality consistent personal  
23 financial literacy instruction, school districts ~~are encouraged~~  
24 shall to the extent possible assign the responsibility for teaching

1 personal financial literacy to the same teacher or teachers on a  
2 continuing basis.

3 L. Beginning with the 2019-2020 school year, all teachers who  
4 are assigned the responsibility for teaching personal financial  
5 literacy shall complete ongoing professional development training in  
6 the areas of personal financial literacy instruction in accordance  
7 with guidelines established by the State Department of Education.

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

10 Section 3119. A. Each lender shall pay ~~five cents (\$0.05)~~ One  
11 Dollar (\$1.00) for each deferred deposit loan entered into to be  
12 deposited into the Consumer Credit Counseling Revolving Fund and the  
13 Personal Financial Literacy Education Revolving Fund created in  
14 Section 3 of this act as follows:

15 1. Twenty-five cents (\$0.25) of each one-dollar payment shall  
16 be deposited into the Consumer Credit Counseling Revolving Fund; and

17 2. Seventy-five cents (\$0.75) of each one-dollar payment shall  
18 be deposited into the Personal Financial Literacy Education  
19 Revolving Fund.

20 B. The schedule for payment shall be determined by the  
21 Administrator of Consumer Credit. Lenders shall be prohibited from  
22 including ~~such~~ the payment in the fees and charges provided for  
23 under Section 3108 of this title.

24



1        C. Ten percent (10%) of each scheduled payment of fees pursuant  
2 to this section made into the Consumer Credit Counseling Revolving  
3 Fund may be transferred to the Consumer Credit Administrative  
4 Expenses Revolving Fund established in Section 6-301 of Title 14A of  
5 the Oklahoma Statutes for expenses incurred by the Administrator of  
6 Consumer Credit in administering the requirements of subsection D of  
7 this section.

8        ~~B.~~ D. Funds collected and deposited in the Consumer Credit  
9 Counseling Revolving Fund pursuant to this section shall be paid by  
10 the Administrator of Consumer Credit to a third-party, Oklahoma-  
11 based consumer credit counseling provider with a verifiable history  
12 of work with both industry and consumers in the appropriate field  
13 for a program of research and implementation of voluntary consumer  
14 counseling and education specifically designed for consumers  
15 utilizing deferred deposit loans. The program shall be:

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

18        2. Designed in consultation with representatives of both the  
19 industry and consumers.

20        E. Funds collected and deposited in the Personal Financial  
21 Literacy Education Revolving Fund pursuant to this section shall be  
22 used by the State Department of Education for the purpose of  
23 developing and providing guidelines, materials, resources, including  
24 online curriculum, training and professional development of teachers

1 in the area of personal financial literacy as required in subsection  
2 G of Section 11-103.6h of Title 70 of the Oklahoma Statutes. To  
3 carry out the duties set forth in this subsection, the Department  
4 may contract or work in conjunction with a third-party, Oklahoma-  
5 based not-for-profit organization that has proven expertise in the  
6 development of standards and curriculum and delivery of professional  
7 development for teachers in the area of personal financial literacy.

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

11 There is hereby created in the State Treasury a revolving fund  
12 for the State Department of Education to be designated the "Personal  
13 Financial Literacy Education Revolving Fund". The fund shall be a  
14 continuing fund, not subject to fiscal year limitations, and shall  
15 consist of all monies directed to be deposited in the fund pursuant  
16 to Section 3119 of Title 59 of the Oklahoma Statutes and any other  
17 monies received by the Department for such purpose from any other  
18 public or private source. All monies accruing to the credit of said  
19 fund are hereby appropriated and may be budgeted and expended by the  
20 Department for the purposes set forth in Section 3119 of Title 59 of  
21 the Oklahoma Statutes. Expenditures from said fund shall be made  
22 upon warrants issued by the State Treasurer against claims filed as  
23 prescribed by law with the Director of the Office of Management and  
24 Enterprise Services for approval and payment.

1 SECTION 4. This act shall become effective July 1, 2016.

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

6  
7 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
8 02/25/2016 - DO PASS, As Amended and Coauthored.  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24