

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

HOUSE BILL 1694

By: Martin

AS INTRODUCED

An Act relating to financial literacy; amending 70 O.S. 2011, Section 11-103.6h, as amended by Section 1, Chapter 239, O.S.L. 2015 (70 O.S. Supp. 2016, Section 11-103.6h), which relates to the Passport to Financial Literacy Act; modifying areas of instruction of personal financial literacy education; changing grades during which personal financial literacy education is to be taken and provided after certain date; updating statutory language; modifying State Department of Education duties; changing type of 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 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 the fund a continuing fund; stating source of funding; providing for appropriation, budgeting and expenditure of monies; stating purposes; requiring expenditures to be on warrants; providing for codification; providing an effective date; and declaring an emergency.

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

2 SECTION 1. AMENDATORY 70 O.S. 2011, Section 11-103.6h,
3 as amended by Section 1, Chapter 239, O.S.L. 2015 (70 O.S. Supp.
4 2016, Section 11-103.6h), is amended to read as follows:

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

- 9 1. Understanding interest, credit card debt, and online
10 commerce;
- 11 2. Rights and responsibilities of renting or buying a home;
- 12 3. Savings and investing;
- 13 4. Planning for retirement;
- 14 5. Bankruptcy;
- 15 6. Banking and financial services;
- 16 7. ~~Balancing a checkbook~~ Managing a bank account;
- 17 8. Understanding the Free Application for Federal Student Aid
18 (FAFSA), loans and borrowing money, including predatory lending and
19 payday loans;
- 20 9. Understanding insurance;
- 21 10. Identity fraud and theft;
- 22 11. Charitable giving;
- 23 12. Understanding the financial impact and consequences of
24 gambling;

1 13. Earning an income; and

2 14. Understanding state and federal taxes.

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

17 C. ~~School~~ Through the end of the 2019-2020 school year, school
18 districts shall provide instruction in personal financial literacy
19 to students during grades seven through twelve. School districts
20 shall have the option of determining when each area of instruction
21 listed in subsection A of this section shall be presented to
22 students. Beginning with the 2020-2021 school year school districts
23 shall provide instruction in personal financial literacy to students
24 during grades nine through twelve.

1 D. Personal financial literacy instruction shall be integrated
2 into one or more existing courses of study or provided in a separate
3 personal financial literacy course. School districts shall have the
4 option of determining into which course or courses each area of
5 instruction listed in subsection A of this section shall be
6 integrated.

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

15 1. Receives substantive and substantial instruction in life-
16 skills curriculum; and

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

19 F. The State Board of Education shall identify and adopt
20 curriculum standards for personal financial literacy instruction
21 that reflect the areas of instruction listed in subsection A of this
22 section. The standards shall be incorporated into the state
23 academic content standards adopted by the Board pursuant to Section
24

1 11-103.6 of this title ~~and known as the Priority Academic Student~~
2 ~~Skills Curriculum~~.

3 G. The State Department of Education shall:

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

10 2. Develop professional development programs that are designed
11 to help teachers provide instruction in personal financial literacy
12 and incorporate the curriculum into an existing course or courses or
13 develop curriculum for a separate personal financial literacy
14 course;

15 3. Provide and identify resources, including ~~on-line modules~~
16 online curriculum, for integrating the teaching of personal
17 financial literacy into an existing course or courses of study or
18 for developing a separate personal financial literacy course. ~~The~~
19 ~~on-line modules~~ Any online curriculum provided or identified by the
20 Department shall include an assessment component for each area of
21 instruction listed in subsection A of this section; and

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

3 H. The Department may work with one or more not-for-profit
4 organizations that have proven expertise in the development of
5 standards and curriculum and delivery of teacher professional
6 development in personal financial literacy for the purpose of
7 developing and providing guidelines, materials, resources, including
8 ~~on-line modules~~ online curriculum, and professional development.

9 I. 1. For students who transfer into an Oklahoma school
10 district prior to the 2020-2021 school year from out of state after
11 the seventh grade and who transfer into an Oklahoma school beginning
12 with the 2020-2021 school year from out of state after the ninth
13 grade, school districts shall assess the knowledge of the student in
14 each of the areas of instruction listed in subsection A of this
15 section. If the school district determines that the transferred
16 student has successfully completed instruction in any or all of the
17 areas of personal financial literacy instruction at a previous
18 school in which the student was enrolled or if the student
19 demonstrates satisfactory knowledge of any or all of the areas of
20 personal financial literacy instruction through an assessment, the
21 school district may exempt the student from completing instruction
22 in that area of personal financial literary instruction. School
23 districts may use the assessment contained in the ~~on-line modules~~
24 online curriculum provided or identified by the State Department of

1 Education pursuant to subsection G of this section to determine the
2 personal financial literacy knowledge level of the student. School
3 districts may also use the ~~on-line modules~~ online curriculum to
4 present an area of instruction to transferred students who have not
5 completed or who did not demonstrate satisfactory knowledge in one
6 or more of the areas of personal financial literacy instruction.

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

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

16 K. In order to deliver high-quality consistent personal
17 financial literacy instruction, school districts ~~are encouraged~~
18 shall to the extent possible assign the responsibility for teaching
19 personal financial literacy to the same teacher or teachers on a
20 continuing basis.

21 L. Beginning with the 2020-2021 school year, all teachers who
22 are assigned the responsibility for teaching personal financial
23 literacy shall complete ongoing professional development training in
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1 the areas of personal financial literacy instruction in accordance
2 with guidelines established by the State Department of Education.

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

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

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

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

15 B. The schedule for payment shall be determined by the
16 Administrator of Consumer Credit. Lenders shall be prohibited from
17 including ~~such~~ the payment in the fees and charges provided for
18 under Section 3108 of this title.

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

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

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

13 2. Designed in consultation with representatives of both the
14 industry and consumers.

15 E. Funds collected and deposited in the Personal Financial
16 Literacy Education Revolving Fund pursuant to this section shall be
17 used by the State Department of Education for the purpose of
18 developing and providing guidelines, materials, resources, including
19 online curriculum, training and professional development of teachers
20 in the area of personal financial literacy as required in subsection
21 G of Section 11-103.6h of Title 70 of the Oklahoma Statutes. To
22 carry out the duties set forth in this subsection, the Department
23 may contract or work in conjunction with a third-party, Oklahoma-
24 based not-for-profit organization that has proven expertise in the

1 development of standards and curriculum and delivery of professional
2 development for teachers in the area of personal financial literacy.

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

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

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

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

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