

# An Act

ENROLLED HOUSE

BILL NO. 1694

By: Martin, Munson, Hall and  
McDaniel of the House

and

Stanislawski of the Senate

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; updating statutory language; modifying State Department of Education duties; authorizing the Department of Education to use certain funds for certain purpose; permitting the Department of Education to contract or work with third-party organization for certain purpose; changing type of online resources; 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 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.

SUBJECT: Financial literacy education

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

SECTION 1. AMENDATORY 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), is amended to read as follows:

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

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

B. In order to graduate from a public high school accredited by the State Board of Education with a standard diploma, students shall fulfill the requirements for a personal financial literacy passport. The requirements for a personal financial literacy passport shall be satisfactory completion in all areas of instruction in personal financial literacy as listed in subsection A of this section during grades seven through twelve or demonstration of satisfactory knowledge as provided for in subsection E of this section.

C. School districts shall provide instruction in personal financial literacy to students during grades seven through twelve. School districts shall have the option of determining when each area of instruction listed in subsection A of this section shall be presented to students.

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

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

1. Receives substantive and substantial instruction in life-skills curriculum; and
2. Demonstrates the acquired knowledge of the student with MSCD by alternate measures as required by the IEP.

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

G. The State Department of Education shall:

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

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

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

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

5. Utilize funds deposited into the Personal Financial Literacy Education Revolving Fund created in Section 3 of this act for the purpose of and to fund the Passport to Financial Literacy Act. Such funds may be used for developing and providing guidelines, materials and resources for personal financial literacy for students and teachers including, but not limited to, online curricula, training and professional development for teachers in the area of personal financial literacy as required in this subsection. The Department may use such funds to contract or work in conjunction with a third-party, Oklahoma-based not-for-profit organization that has proven expertise in the development of standards and curricula. The Department may further use a third-party organization to deliver professional development for teachers in the area of personal financial literacy.

H. The Department may work with one or more not-for-profit organizations that have proven expertise in the development of

standards and curriculum and delivery of teacher professional development in personal financial literacy for the purpose of developing and providing guidelines, materials, resources, including ~~on-line modules~~ online curricula, and professional development.

I. 1. For students who transfer into an Oklahoma school district from out of state after the seventh grade, school districts shall assess the knowledge of the student in each of the areas of instruction listed in subsection A of this section. If the school district determines that the transferred student has successfully completed instruction in any or all of the areas of personal financial literacy instruction at a previous school in which the student was enrolled or if the student demonstrates satisfactory knowledge of any or all of the areas of personal financial literacy instruction through an assessment, the school district may exempt the student from completing instruction in that area of personal financial literacy instruction. School districts may use the assessment contained in the ~~on-line modules~~ online curricula provided or identified by the State Department of Education pursuant to subsection G of this section to determine the personal financial literacy knowledge level of the student. School districts may also use the ~~on-line modules~~ online curricula to present an area of instruction to transferred students who have not completed or who did not demonstrate satisfactory knowledge in one or more of the areas of personal financial literacy instruction.

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

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

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

L. Beginning with the 2020-2021 school year, all teachers who are assigned the responsibility for teaching personal financial

literacy shall complete ongoing professional development training in the areas of personal financial literacy instruction in accordance with guidelines established by the State Department of Education.

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

Section 3119. A. Each lender shall pay ~~five cents (\$0.05)~~ thirty cents (\$0.30) for each deferred deposit loan entered into to be deposited into the Consumer Credit Counseling Revolving Fund and the Personal Financial Literacy Education Revolving Fund created in Section 3 of this act as follows:

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

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

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

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

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

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

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

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

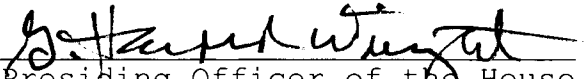
SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 11-103.6h-1 of Title 70, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the State Department of Education to be designated the "Personal Financial Literacy Education Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies directed to be deposited in the fund pursuant to Section 3119 of Title 59 of the Oklahoma Statutes and any other monies received by the Department for such purpose from any other public or private source. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purposes set forth in Section 11-103.6h of Title 70 of the Oklahoma Statutes. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.


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

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

Passed the House of Representatives the 9th day of May, 2017.

  
Presiding Officer of the House  
of Representatives

Passed the Senate the 27th day of April, 2017.

  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 10<sup>th</sup>

day of May, 20 17, at 4:17 o'clock P M.

By: Audrey Lockwell

Approved by the Governor of the State of Oklahoma this 16<sup>th</sup>

day of May, 20 17, at 9:53 o'clock A M.

  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 16<sup>th</sup>

day of May, 20 17, at 12:43 o'clock P. M.

By: Paul Jopp