

BILL ANALYSIS

Senate Research Center
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S.B. 197
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Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Given the state of our economy, we must provide people with knowledge and skills so that they can make sound financial decisions and contribute to our economy. The lack of financial literacy has greatly contributed to our current economic crisis. As a result of this lack of knowledge, many Texans have been victimized by predatory lending; unable to fully understand the process and make informed decisions about their finances. We must educate Texans regarding financial matters to strengthen our economy and address many of the core causes of our economic instability. It is key to teach young people the importance of financial decisions and provide them with a framework for making those decisions before they are overwhelmed with student loans and credit card debt. By providing effective financial literacy education in our schools, we can make young Texans less vulnerable to disreputable lending companies and practices before it is too late.

The 79th Legislature took a step toward achieving this goal when it passed S.B. 851, which amended the Education Code to establish a financial literacy pilot program in 25 school districts. The bill provided content requirements for the curriculum and instructional material development and authorized the Texas Education Agency (TEA) to administer the program. Texas needs a comprehensive and expanded program to achieve real results.

As proposed, S.B. 197 increases the number of participating school districts from 25 to 100 in the program and authorizes TEA to develop the application and selection process for the participating schools. S.B. 197 requires TEA to provide each member of the legislature with a report on the implementation and effectiveness of the program not later than January 1, 2011.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 29.915, Education Code, by amending Subsection (d) and adding Subsection (f), as follows:

(d) Increases, from 25 to 100, the number of school districts the Texas Education Agency (TEA) is authorized to select for participation in the financial literacy pilot program (program).

(f) Requires TEA to provide each member of the legislature with a report relating to the implementation and effectiveness of the program not later than January 1, 2011. Provides that this subsection expires February 1, 2011.

SECTION 2. Effective date: upon passage or September 1, 2009.