

BILL ANALYSIS

S.B. 197
By: Shapleigh
Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Given the state of the economy, there is a pronounced need to provide people with the knowledge and skills necessary to make sound financial decisions and contribute to correcting the economy. A lack of financial literacy has left many Texans vulnerable to predatory lending and unable to fully understand the lending process or make informed decisions about their finances. Teaching young people the importance of financial decisions and providing a framework for making those decisions before they are overwhelmed with student loans and credit card debt can protect young Texans against disreputable lending companies and practices.

The 79th Legislature, Regular Session, 2007, took a step toward achieving these goals by passing a bill 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 now needs a comprehensive and expanded program to achieve real results.

S.B. 197 increases from 25 to 100 the number of school districts TEA is authorized to select to participate in the program. The bill requires TEA to provide a report on the implementation and effectiveness of the program to each member of the legislature not later than January 1, 2011.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 197 amends the Education Code to increase from 25 to 100 the number of school districts the Texas Education Agency (TEA) is authorized to select to participate in the financial literacy pilot program. The bill adds a temporary provision, set to expire February 1, 2011, to require 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.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.