

BILL ANALYSIS

S.B. 199
By: Shapleigh
Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Given the state of the economy, it is important to provide people with knowledge and skills so that they are empowered to make sound financial decisions and contribute to the economy. The lack of financial literacy has greatly contributed to the current economic crisis. As a result, many Texans have been victimized by predatory lending, unable to fully understand financial processes and make informed financial decisions.

It is necessary to educate Texans regarding financial matters, to strengthen our economy and address many of the causes of our economic instability. It is key to teach young people the importance of financial decisions and to provide a framework for making those decisions before becoming overwhelmed with student loans and credit card debt. By providing effective financial literacy education in school, young Texans can be made less vulnerable to disreputable lending companies and practices, before it is too late.

S.B. 199 requires each regional education service center to offer training and assistance in providing instruction in personal financial literacy.

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. 199 amends the Education Code to add training and assistance in providing financial literacy as a core service that each regional education service center is required to maintain for purchase by school districts and campuses.

EFFECTIVE DATE

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