

110TH CONGRESS
2D SESSION

H. R. 7135

To award grants to State educational agencies to support the provision
of financial education to high school students.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 26, 2008

Mr. CARSON (for himself, Mr. RYAN of Ohio, Ms. BEAN, Mr. RODRIGUEZ, Ms. SHEA-PORTER, Mr. WEINER, and Mrs. BOYDA of Kansas) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To award grants to State educational agencies to support
the provision of financial education to high school students.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Young Investor Finan-
5 cial Education Act”.

6 **SEC. 2. FINANCIAL EDUCATION GRANTS AND SUBGRANTS.**

7 (a) GRANTS TO STATE EDUCATIONAL AGENCIES.—

8 From the sums allocated under section 4, the Secretary
9 of Education shall award grants to State educational

1 agencies to support the provision of financial education in
2 high schools in accordance with sections 3 and 5.

3 (b) SUBGRANTS TO LOCAL EDUCATIONAL AGEN-
4 CIES.—From any of the grant funds awarded under sub-
5 section (a), a State educational agency may award a
6 subgrant to a local educational agency to support the pro-
7 vision of financial education in high schools in accordance
8 with sections 3 and 5.

9 **SEC. 3. APPLICATION.**

10 (a) IN GENERAL.—To qualify to receive a grant
11 under section 2(a), a State educational agency shall sub-
12 mit an application to the Secretary at such time and in
13 such manner as the Secretary may require, and containing
14 the information described in subsection (b).

15 (b) CONTENTS.—The application required by sub-
16 section (a) shall include a description of the financial edu-
17 cation program that will be developed and implemented
18 with the grant or subgrant funds received under this Act,
19 including—

20 (1) the classes and topics covered in the pro-
21 gram;

22 (2) certification that not later than the next
23 school year after the receipt of the grant, financial
24 education will be available in high schools under the
25 jurisdiction of such State educational agency; and

1 (3) any other information that the Secretary
2 may require.

3 **SEC. 4. RESERVATION AND FORMULA.**

4 (a) **OUTLYING AREAS.**—From the sums appropriated
5 under section 8 for each fiscal year, the Secretary shall
6 reserve not more than 0.5 percent of such sums for pay-
7 ments to outlying areas, to be allotted in accordance with
8 their respective needs for assistance under this Act, as de-
9 termined by the Secretary.

10 (b) **STATES.**—

11 (1) **FORMULA.**—From the sums appropriated
12 under section 8 for each fiscal year and not reserved
13 under subsection (a) of this section or section 7, the
14 Secretary shall allot, and make available in accord-
15 ance with this Act, to each State educational agency
16 in a State with an approved application an amount
17 that bears the same ratio to such sums as the num-
18 ber of individuals aged 14 through 17 in the State
19 to the total number of individuals aged 14 through
20 17 in all States, except that no State educational
21 agency shall receive less than an amount equal to
22 one-half of 1 percent of such sums.

23 (2) **REALLOTMENT OF UNUSED FUNDS.**—If a
24 State educational agency does not submit an appli-
25 cation or the Secretary does not approve a State

1 educational agency's application, the Secretary shall
2 reallocate any portion of the State educational agency's
3 allotment under paragraph (1) to the remaining
4 State educational agencies in accordance with para-
5 graph (1).

6 **SEC. 5. USES OF FUNDS.**

7 A State educational agency or local educational agen-
8 cy that receives a grant or subgrant under this Act shall
9 use the grant or subgrant funds—

10 (1) to develop or to purchase financial edu-
11 cation materials;

12 (2) to train teachers in financial education
13 course work, such as responsible money manage-
14 ment, credit card use, saving, investing, and finan-
15 cial planning; and

16 (3) to pay for other incidental costs related to
17 establishing financial education programs in high
18 schools.

19 **SEC. 6. REPORTING.**

20 (a) STATE EDUCATIONAL AGENCIES.—Not later
21 than 1 year after the date of enactment of this Act, and
22 annually thereafter, each State educational agency receiv-
23 ing a grant under this Act shall prepare and submit a
24 report to the Secretary containing information on the fi-
25 nancial education programs and activities carried out by

1 the State educational agency, and the effectiveness of such
2 programs and activities in improving the financial edu-
3 cation of high school students.

4 (b) SECRETARY.—Not later than 18 months after the
5 date of enactment of this Act, and annually thereafter,
6 the Secretary shall prepare and submit to the Committee
7 on Education and Labor of the House of Representatives
8 and the Committee on Health, Education, Labor, and
9 Pensions of the Senate a report on the financial education
10 programs and activities carried out under this Act, and
11 the effectiveness of such programs and activities in im-
12 proving the financial education of high school students.

13 **SEC. 7. CLEARINGHOUSE.**

14 From the sums appropriated under section 8 for each
15 fiscal year, the Secretary shall reserve \$2,000,000 of such
16 sums to establish and maintain, through grant or by con-
17 tract, a central clearinghouse of information that—

18 (1) provides information and technical assist-
19 ance to State educational agencies and local edu-
20 cational agencies in developing content and cur-
21 riculum materials for high school financial edu-
22 cation;

23 (2) maintains, coordinates, and disseminates in-
24 formation on effective financial education programs,
25 including private and non-profit school-based finan-

1 cial education programs, that hold the potential for
2 broad scale implementation and replication; and

3 (3) publishes, on an annual basis, a list of State
4 educational agencies or local educational agencies
5 that are grant or subgrant recipients under this Act,
6 and the amounts such State educational agencies or
7 local educational agencies receive under this Act.

8 **SEC. 8. APPROPRIATIONS.**

9 There are authorized to be appropriated
10 \$100,000,000 to carry out this Act for each of the fiscal
11 years 2010 through 2014.

12 **SEC. 9. DEFINITIONS.**

13 The following definitions apply to this Act:

14 (1) CHARTER SCHOOL.—The term “charter
15 school” has the meaning given such term in section
16 5210 of the Elementary and Secondary Education
17 Act of 1965 (20 U.S.C. 7221i);

18 (2) FINANCIAL EDUCATION.—The term “finan-
19 cial education” means course work for high school
20 students that is aligned with State academic stand-
21 ards and promotes financial literacy, such as respon-
22 sible money management, credit card use, saving, in-
23 vesting, and financial planning;

24 (3) HIGH SCHOOL.—The term “high school”
25 means a nonprofit institutional day or residential

1 school, including a charter school, providing grade 9
2 through grade 12 education, as determined under
3 State law.

4 (4) LOCAL EDUCATIONAL AGENCY.—The term
5 “local educational agency” has the meaning given
6 such term in section 9101 of the Elementary and
7 Secondary Education Act of 1965 (20 U.S.C. 7801).

8 (5) OUTLYING AREA.—The term “outlying
9 area” means the United States Virgin Islands,
10 Guam, American Samoa, and the Commonwealth of
11 the Northern Mariana Islands, and, until an agree-
12 ment for the extension of United States education
13 assistance under the Compact of Free Association
14 for the Republic of Palau becomes effective after the
15 date of enactment of this Act, includes the Republic
16 of Palau.

17 (6) SECRETARY.—The term “Secretary” means
18 Secretary of Education.

19 (7) STATE.—The term “State” means each of
20 the 50 States, the District of Columbia, and the
21 Commonwealth of Puerto Rico.

22 (8) STATE EDUCATIONAL AGENCY.—The term
23 “State educational agency” has the meaning given

1 such term in section 9101 of the Elementary and
2 Secondary Education Act of 1965 (20 U.S.C. 7801).

○