



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB1661

Introduced 2/15/2019, by Sen. Dan McConchie

SYNOPSIS AS INTRODUCED:

105 ILCS 5/27-12.1

from Ch. 122, par. 27-12.1

Amends the School Code. Provides that, beginning with the 2020-2021 school year, a school district required to offer a consumer education course may form a partnership with a local financial institution to establish a financial training program for all students in grade 12, regardless of the student's prior academic history; defines "financial institution". Provides that the program must be limited to one hour of financial training per week during the student's final semester before graduation and must be provided by a financial institution at no cost to the school district. Provides that the curriculum for the program must include, but is not limited to, (i) properly investing early, (ii) managing debt, including student loan debt, and (iii) saving for retirement.

LRB101 09815 AXK 54917 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The School Code is amended by changing Section
5 27-12.1 as follows:

6 (105 ILCS 5/27-12.1) (from Ch. 122, par. 27-12.1)

7 Sec. 27-12.1. Consumer education.

8 (a) Pupils in the public schools in grades 9 through 12
9 shall be taught and be required to study courses which include
10 instruction in the area of consumer education, including but
11 not necessarily limited to (i) understanding the basic concepts
12 of financial literacy, including consumer debt and installment
13 purchasing (including credit scoring, managing credit debt,
14 and completing a loan application), budgeting, savings and
15 investing, banking (including balancing a checkbook, opening a
16 deposit account, and the use of interest rates), understanding
17 simple contracts, State and federal income taxes, personal
18 insurance policies, the comparison of prices, higher education
19 student loans, identity-theft security, and homeownership
20 (including the basic process of obtaining a mortgage and the
21 concepts of fixed and adjustable rate mortgages, subprime
22 loans, and predatory lending), and (ii) understanding the roles
23 of consumers interacting with agriculture, business, labor

1 unions and government in formulating and achieving the goals of
2 the mixed free enterprise system. The State Board of Education
3 shall devise or approve the consumer education curriculum for
4 grades 9 through 12 and specify the minimum amount of
5 instruction to be devoted thereto.

6 (b) (Blank).

7 (b-5) In this subsection, "financial institution" means
8 any bank, savings and loan association or savings bank, or
9 credit union established under the laws of this State or any
10 other state or established under the laws of the United States
11 or a licensee under the Consumer Installment Loan Act or the
12 Sales Finance Agency Act.

13 Beginning with the 2020-2021 school year, a school district
14 required to offer a consumer education course under this
15 Section may form a partnership with a local financial
16 institution to establish a financial training program for all
17 students in grade 12, regardless of the student's prior
18 academic history. After a student begins the program, a school
19 district may impose conditions for his or her continued
20 participation in the program. The program must be limited to
21 one hour of financial training per week during the student's
22 final semester before graduation and must be provided by a
23 financial institution at no cost to the school district. The
24 curriculum for the program must include, but is not limited to,
25 (i) properly investing early, (ii) managing debt, including
26 student loan debt, and (iii) saving for retirement. Nothing in

1 this subsection replaces the requirements of a consumer
2 education course under subsection (a).

3 (c) The Financial Literacy Fund is created as a special
4 fund in the State treasury. State funds and private
5 contributions for the promotion of financial literacy shall be
6 deposited into the Financial Literacy Fund. All money in the
7 Financial Literacy Fund shall be used, subject to
8 appropriation, by the State Board of Education to award grants
9 to school districts for the following:

10 (1) Defraying the costs of financial literacy training
11 for teachers.

12 (2) Rewarding a school or teacher who wins or achieves
13 results at a certain level of success in a financial
14 literacy competition.

15 (3) Rewarding a student who wins or achieves results at
16 a certain level of success in a financial literacy
17 competition.

18 (4) Funding activities, including books, games, field
19 trips, computers, and other activities, related to
20 financial literacy education.

21 In awarding grants, every effort must be made to ensure
22 that all geographic areas of the State are represented.

23 (d) A school board may establish a special fund in which to
24 receive public funds and private contributions for the
25 promotion of financial literacy. Money in the fund shall be
26 used for the following:

1 (1) Defraying the costs of financial literacy training
2 for teachers.

3 (2) Rewarding a school or teacher who wins or achieves
4 results at a certain level of success in a financial
5 literacy competition.

6 (3) Rewarding a student who wins or achieves results at
7 a certain level of success in a financial literacy
8 competition.

9 (4) Funding activities, including books, games, field
10 trips, computers, and other activities, related to
11 financial literacy education.

12 (e) The State Board of Education, upon the next
13 comprehensive review of the Illinois Learning Standards, is
14 urged to include the basic principles of personal insurance
15 policies and understanding simple contracts.

16 (Source: P.A. 99-284, eff. 8-5-15.)