

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 State Finance Act is amended by adding
5 Section 5.663 as follows:

6 (30 ILCS 105/5.663 new)

7 Sec. 5.663. The Financial Literacy Fund.

8 Section 10. The School Code is amended by changing Section
9 27-12.1 as follows:

10 (105 ILCS 5/27-12.1) (from Ch. 122, par. 27-12.1)

11 Sec. 27-12.1. Consumer education.

12 (a) Subject to the provisions of subsection (b) of this
13 Section, pupils in the public schools in grades 9 through 12
14 shall be taught and be required to study courses which include
15 instruction in the area of consumer education, including but
16 not necessarily limited to (i) understanding the basic concepts
17 of financial literacy, including installment purchasing
18 (including credit scoring, managing credit debt, and
19 completing a loan application), budgeting, savings and
20 investing, banking (including balancing a checkbook, opening a
21 deposit account, and the use of interest rates), understanding
22 simple contracts, State and federal income taxes, personal
23 insurance policies, and the comparison of prices, and (ii) an
24 understanding ~~of~~ the roles of consumers interacting with
25 agriculture, business, labor unions and government in
26 formulating and achieving the goals of the mixed free
27 enterprise system. The State Board of Education shall devise or
28 approve the consumer education curriculum for grades 9 through
29 12 and specify the minimum amount of instruction to be devoted
30 thereto.

1 (b) Prior to the commencement of the 1986-1987 school year
2 and prior to the commencement of each school year thereafter,
3 the State Board of Education shall devise, develop and furnish
4 to each school district within the State a uniform Annual
5 Consumer Education Proficiency Test to be administered by each
6 school district to those pupils of the district in grades 9
7 through 12 who elect to take the same, provided that no pupil
8 shall be permitted to take the test more than once in any
9 school year. Each year the State Board of Education shall by
10 rule prescribe the date or dates during the school year on
11 which school districts shall administer the test devised and
12 developed for that school year, together with the uniform
13 standards which all districts shall apply in scoring that test.
14 The test shall be devised and developed by the State Board of
15 Education each year in a standardized manner to allow any pupil
16 who takes the same and who achieves a score thereon which is
17 not less than the minimum score established by the State Board
18 of Education for the test so taken to thereby demonstrate
19 sufficient proficiency in the area of consumer education as
20 shall excuse such pupil from the necessity of receiving, as a
21 prerequisite to graduation from high school and receipt of a
22 high school diploma, the minimum amount of instruction in a
23 consumer education curriculum otherwise required by subsection
24 (a) and the rules or regulations promulgated thereunder. For
25 purposes of this subsection, "proficiency" is defined to mean
26 that a pupil is competent in and has a well advanced knowledge
27 of consumer education so that study of the course of
28 instruction required by this Section would not be substantially
29 educationally beneficial as determined by the State Board of
30 Education when developing the uniform standards and minimum
31 score requirements of this Section.

32 (c) The Financial Literacy Fund is created as a special
33 fund in the State treasury. State funds and private
34 contributions for the promotion of financial literacy shall be
35 deposited into the Financial Literacy Fund. All money in the
36 Financial Literacy Fund shall be used, subject to

1 appropriation, by the State Board of Education to award grants
2 to school districts for the following:

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

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

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

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

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

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

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

22 (2) Rewarding a school or teacher who wins or achieves
23 results at a certain level of success in a financial
24 literacy competition.

25 (3) Rewarding a student who wins or achieves results at
26 a certain level of success in a financial literacy
27 competition.

28 (4) Funding activities, including books, games, field
29 trips, computers, and other activities, related to
30 financial literacy education.

31 (e) The State Board of Education, upon the next
32 comprehensive review of the Illinois Learning Standards, is
33 urged to include the basic principles of personal insurance
34 policies and understanding simple contracts.

35 (Source: P.A. 86-300.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.