

113TH CONGRESS  
1ST SESSION

# S. 1532

To provide grants to promote financial literacy.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 2013

Mrs. MURRAY introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To provide grants to promote financial literacy.

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 “Financial and Eco-  
5 nomic Literacy Improvement Act of 2013”.

6 **SEC. 2. FINANCIAL LITERACY EDUCATION GRANTS.**

7 (a) IN GENERAL.—Part D of title V of the Elemen-  
8 tary and Secondary Education Act of 1965 (20 U.S.C.  
9 7241 et seq.) is amended by inserting after section 5537  
10 the following:

1           **“Subpart 13A—Financial Literacy Education**

2           **“SEC. 5538. FINANCIAL LITERACY EDUCATION GRANTS.**

3           “(a) AUTHORIZATION.—The Secretary shall award  
4 grants to eligible entities to enable such entities—

5                   “(1) to award subgrants to local entities to pro-  
6 vide financial literacy education; and

7                   “(2) to carry out activities designed to promote  
8 financial literacy education.

9           “(b) DEFINITION OF ELIGIBLE ENTITY.—In this sec-  
10 tion, the term ‘eligible entity’ means—

11                   “(1) a State educational agency; or

12                   “(2) a State partnership consisting of—

13                           “(A) a State educational agency; and

14                           “(B) a nonprofit organization with experi-  
15 ence and a proven quality track record in finan-  
16 cial literacy or personal finance education pro-  
17 grams.

18           “(c) APPLICATION.—An eligible entity that desires to  
19 receive a grant under this section shall submit an applica-  
20 tion to the Secretary at such time, in such manner, and  
21 accompanied by such information as the Secretary may  
22 require.

23           “(d) FORMULA.—From the total amount appro-  
24 priated under subsection (g) for a fiscal year, the Sec-  
25 retary shall allot to each State for such fiscal year an  
26 amount that bears the same relation to such total amount

1 as the amount such State received under part A of title  
 2 I for such fiscal year bears to the total amount received  
 3 by all States under part A of title I for such fiscal year.

4 “(e) USE OF FUNDS.—

5 “(1) SUBGRANTS TO ELIGIBLE LOCAL ENTI-  
 6 TIES.—

7 “(A) ELIGIBLE LOCAL ENTITY.—In this  
 8 section, the term ‘eligible local entity’ means—

9 “(i) a local educational agency; or

10 “(ii) a local partnership consisting  
 11 of—

12 “(I) a local educational agency;

13 and

14 “(II) not less than one of the fol-  
 15 lowing:

16 “(aa) A nonprofit organiza-  
 17 tion with experience and a proven  
 18 track record in quality financial  
 19 literacy or personal finance edu-  
 20 cation programs.

21 “(bb) An educational service  
 22 agency.

23 “(cc) A recipient of an Ex-  
 24 cellence in Economic Education  
 25 grant under subpart 13.

1                   “(dd) An institution of high-  
2                   er education.

3                   “(ee) A community organi-  
4                   zation.

5                   “(ff) A representative of  
6                   local business.

7                   “(B) AUTHORIZATION OF SUBGRANTS.—  
8                   An eligible entity that receives a grant under  
9                   this section shall use 75 percent of such grant  
10                  funds to award subgrants to eligible local enti-  
11                  ties.

12                  “(C) APPLICATIONS.—

13                  “(i) IN GENERAL.—An eligible local  
14                  entity that desires to receive a subgrant  
15                  under this paragraph shall submit an ap-  
16                  plication to the eligible entity at such time,  
17                  in such manner, and accompanied by such  
18                  information as the eligible entity may re-  
19                  quire.

20                  “(ii) REVIEW OF APPLICATIONS.—The  
21                  eligible entity shall review applications sub-  
22                  mitted under clause (i) in the same man-  
23                  ner as applications are reviewed under sec-  
24                  tion 5534(b).

1           “(D) USE OF FUNDS.—An eligible local  
2 entity that receives a subgrant under this para-  
3 graph—

4           “(i) shall use the subgrant funds to—

5                   “(I) implement teacher training  
6 programs to embed financial literacy  
7 and personal finance education into  
8 core academic subjects;

9                   “(II) administer financial literacy  
10 assessments on not less than an an-  
11 nual basis in, at a minimum, the  
12 grade levels selected by the State pur-  
13 suant to paragraph (2)(A); and

14                   “(III) implement financial lit-  
15 eracy activities and sequences of study  
16 within core academic subjects; and

17           “(ii) may use the subgrant funds to  
18 implement school-based activities, including  
19 after school activities, to enhance student  
20 understanding and experiential learning  
21 with consumer, economic, and personal fi-  
22 nance concepts.

23           “(E) REPORT.—An eligible local entity  
24 that receives a subgrant under this paragraph  
25 shall include in the annual report card under

1 section 1111(h)(2) the same information on  
2 student achievement on the financial literacy  
3 assessments, administered pursuant to subpara-  
4 graph (D), as required, pursuant to section  
5 1111(h)(2), of the other State academic assess-  
6 ments described in section 1111(b)(3).

7 “(2) STATE ACTIVITIES.—An eligible entity  
8 that receives a grant under this section shall use 25  
9 percent of such grant funds to carry out the fol-  
10 lowing:

11 “(A) The development of financial literacy  
12 standards in not less than 3 grade levels, in-  
13 cluding not less than 1 grade level in elemen-  
14 tary school, not less than 1 grade level in mid-  
15 dle school, and not less than 1 grade level in  
16 high school.

17 “(B) The development of appropriate fi-  
18 nancial literacy assessments in the grade levels  
19 determined under subparagraph (A) that are  
20 valid, reliable, and comparable across the State.

21 “(C) Teacher professional development  
22 programs to embed financial literacy or per-  
23 sonal finance education into core academic sub-  
24 jects.

1           “(D) An evaluation of the impact of finan-  
2           cial literacy or personal finance education on  
3           students’ understanding of financial literacy  
4           concepts.

5           “(f) MATCHING FUNDS.—An eligible entity that re-  
6           ceives a grant under this section shall provide, from non-  
7           Federal sources, an amount equal to 25 percent of the  
8           amount of the grant award to carry out activities required  
9           under this section.

10          “(g) AUTHORIZATION OF APPROPRIATIONS.—There  
11          are authorized to be appropriated to carry out this section  
12          \$125,000,000 for each of fiscal years 2014 through  
13          2019.”.

14          (b) TABLE OF CONTENTS.—The table of contents in  
15          section 2 of the Elementary and Secondary Education Act  
16          of 1965 is amended by inserting after the item relating  
17          to section 5537 the following:

                  “Subpart 13A—Financial Literacy Education

                  “Sec. 5538. Financial literacy education grants.”.

18       **SEC. 3. GRANTS TO PROMOTE POSTSECONDARY FINANCIAL**  
19                               **LITERACY.**

20          Part A of title III of the Higher Education Act of  
21          1965 (20 U.S.C. 1057 et seq.) is amended by adding at  
22          the end the following:

1 **“SEC. 320A. GRANTS TO PROMOTE POSTSECONDARY FINAN-**  
2 **CIAL LITERACY.**

3 “(a) **AUTHORIZATION OF GRANT AWARDS.**—The Sec-  
4 retary shall award grants, on a competitive basis, to eligi-  
5 ble entities to enable such entities to provide financial lit-  
6 eracy courses or course components to students.

7 “(b) **DEFINITION OF ELIGIBLE ENTITY.**—In this sec-  
8 tion, the term ‘eligible entity’ means—

9 “(1) an institution of higher education; or

10 “(2) a partnership consisting of—

11 “(A) an institution of higher education;

12 and

13 “(B) a nonprofit organization with experi-  
14 ence and a proven track record in quality finan-  
15 cial literacy or personal finance education pro-  
16 grams.

17 “(c) **APPLICATION.**—An eligible entity that desires to  
18 receive a grant under this section shall submit an applica-  
19 tion to the Secretary at such time, in such manner, and  
20 accompanied by such information as the Secretary may  
21 require.

22 “(d) **MINIMUM GRANT AMOUNT.**—The Secretary  
23 shall award grants under this section in amounts of not  
24 less than \$500,000.

25 “(e) **USE OF FUNDS.**—An eligible entity that receives  
26 a grant under this section shall use the grant funds to



1 develop and implement financial literacy education, activi-  
2 ties, student organizations, or counseling that increase  
3 student knowledge in consumer, economic, and personal  
4 financial concepts.

5       “(f) AUTHORIZATION OF APPROPRIATIONS.—There  
6 are authorized to be appropriated to carry out this section  
7 \$125,000,000 for fiscal year 2014 and each succeeding  
8 fiscal year.”.

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