

117TH CONGRESS  
2D SESSION

# H. R. 9272

To establish an award allocation to facilitate financial literacy programs,  
and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2022

Mr. DAVID SCOTT of Georgia (for himself, Mr. LOUDERMILK, Ms. DEAN, Mr. HILL, and Mrs. BEATTY) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To establish an award allocation to facilitate financial  
literacy programs, and for other purposes.

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 “Consumer Financial  
5 Education and Empowerment Act”.

6 **SEC. 2. FINANCIAL LITERACY AWARD ALLOCATION PRO-**  
7 **GRAM.**

8 (a) IN GENERAL.—The Consumer Financial Protec-  
9 tion Act of 2010 (12 U.S.C. 5481 et seq.) is amended by  
10 inserting after section 1037 the following:

1 **“SEC. 1038. FINANCIAL LITERACY AWARD ALLOCATION**  
2 **PROGRAM.**

3 “(a) IN GENERAL.—Not later than 1 year after the  
4 date of the enactment of this section, the Director shall  
5 establish award allocations for financial literacy and con-  
6 sumer education programs on a competitive basis to eligi-  
7 ble entities as described in subsection (d).

8 “(b) APPLICATION REQUIREMENTS.—To be eligible  
9 for an award allocation under the program established  
10 under subsection (a), an eligible entity shall submit an ap-  
11 plication to the Director at such time, in such manner,  
12 and containing such information as the Director may re-  
13 quire, including information on—

14 “(1) the curriculum and design of the financial  
15 literacy program proposed by the eligible entity, in-  
16 cluding a description of how such program meets the  
17 requirements of subsection (d);

18 “(2) expected participants in the proposed pro-  
19 gram;

20 “(3) who is expected to be employed or other-  
21 wise involved with the proposed program, includ-  
22 ing—

23 “(A) administrators;

24 “(B) consultants; and

25 “(C) financial advisors; and

1           “(4) a prospective budget for the proposed fi-  
2           nancial literacy program.

3           “(c) AWARD ALLOCATION.—

4           “(1) AMOUNTS.—The Director shall determine  
5           the amount of each award allocation under the pro-  
6           gram established under subsection (a).

7           “(2) MULTIYEAR AWARD ALLOCATIONS.—The  
8           Director may not award more than 5 consecutive  
9           award allocations to an eligible entity based on a  
10          single application.

11          “(d) FINANCIAL LITERACY PROGRAM DESCRIBED.—  
12          A financial literacy program described in this subsection  
13          is a program that provides the following:

14               “(1) Instruction to participants, including indi-  
15               viduals who provide instruction with respect to fi-  
16               nancial literacy education, on one or more of the fol-  
17               lowing:

18                       “(A) Personal financial wellness.

19                       “(B) Credit and alternatives to credit.

20                       “(C) Management of student loan debt.

21                       “(D) Preparation for homeownership.

22                       “(E) Basic investing.

23                       “(F) Financial saving, planning, and man-  
24                       agement.

25                       “(G) Tax planning.

1 “(H) Personal information security.

2 “(I) Preparation for household changes, in-  
3 cluding merging assets after marriage and pre-  
4 paring for costs associated with children.

5 “(J) Other topics as determined by the Di-  
6 rector.

7 “(2) An in-person instruction component that—

8 “(A) may be provided as a webinar, an in-  
9 classroom experience, or one-on-one financial  
10 coaching;

11 “(B) includes—

12 “(i) live, real-time instruction; and

13 “(ii) an opportunity for students to  
14 engage with an instructor; and

15 “(C) is not primarily comprised of self-  
16 taught instruction.

17 “(e) FUNDING.—

18 “(1) IN GENERAL.—The Director shall, in ac-  
19 cordance with section 1017(d), use amounts in the  
20 Consumer Financial Civil Penalty Fund to carry out  
21 this section.

22 “(2) AMOUNTS.—To carry out this section, the  
23 Director shall use not more than—

24 “(A) in fiscal year 2026, \$30,000,000;

1 “(B) in each allocation period starting  
2 after fiscal year 2026, the lessor of—

3 “(i) \$15,000,000; or

4 “(ii) 20 percent of the amount re-  
5 maining in the Consumer Financial Civil  
6 Penalty Fund after allocation to victims  
7 has been determined for the prior alloca-  
8 tion period; and

9 “(C) in any allocation period with respect  
10 to which the amount in the Consumer Financial  
11 Civil Penalty Fund decreased during the prior  
12 allocation period, 1 percent of the amount re-  
13 maining in the Consumer Financial Civil Pen-  
14 alty Fund after allocation to victims has been  
15 determined for the prior allocation period.

16 “(f) INITIAL STUDY.—

17 “(1) IN GENERAL.—Not later than 1 year after  
18 the date of enactment of this section, the Director  
19 shall conduct a study on the financial literacy edu-  
20 cation needs of expected participants of the financial  
21 literacy programs facilitated by this section.

22 “(2) FINDINGS.—The findings of the study re-  
23 quired under paragraph (1) may be used to inform  
24 the award allocations by the program established  
25 under subsection (a).

1       “(g) FINANCIAL LITERACY AND EDUCATION COM-  
2 MISSION REPORT.—Not later than 2 years after the Direc-  
3 tor establishes the program under subsection (a), the Fi-  
4 nancial Literacy and Education Commission shall submit  
5 to Congress and the Director a report that provides rec-  
6 ommendations on improving the program.

7       “(h) DEFINITIONS.—In this section:

8               “(1) ALLOCATION PERIOD.—The term ‘alloca-  
9 tion period’ means the biannual allocation period of  
10 funds to a class of victims that occurs according to  
11 the schedule established pursuant to section  
12 1075.105(b) of title 12, Code of Federal Regulations  
13 (or any successor regulation).

14               “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
15 tity’—

16                       “(A) means—

17                               “(i) a State government, local govern-  
18 ment, or agency of a State or local govern-  
19 ment; and

20                               “(ii) other entities that the Director  
21 may identify, including those that have—

22                                       “(I) experience with financial  
23 management;

1 “(II) a history of achieving goals  
 2 and objectives of financial literacy  
 3 programs;

4 “(III) expertise in financial edu-  
 5 cation; or

6 “(IV) expertise in providing fi-  
 7 nancial education instruction; and

8 “(B) does not include any entity if the en-  
 9 tity, or a subsidiary or affiliate of the entity,  
 10 has been found to have violated any Federal  
 11 consumer financial law.

12 “(3) STATE.—The term ‘State’ means each  
 13 State of the United States, the District of Columbia,  
 14 each territory or possession of the United States,  
 15 and each federally recognized Indian Tribe.”.

16 (b) CONFORMING AMENDMENTS.—The Dodd-Frank  
 17 Wall Street Reform and Consumer Protection Act (12  
 18 U.S.C. 5497(d)(2)) is amended—

19 (1) in the table of contents, by inserting after  
 20 the item relating to section 1037 the following:

“Sec. 1038. Financial literacy award allocation program.”;

21 and

22 (2) in section 1017(d)(2)—

23 (A) by striking “, the Bureau may use”

24 and inserting “, the Bureau—

25 “(A) may use”;

1 (B) by striking “programs.” and inserting  
2 “programs; and”; and

3 (C) by adding at the end the following:

4 “(B) shall use such funds for the award al-  
5 location program established under section  
6 1038.”.

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