

118TH CONGRESS
2D SESSION

H. R. 8944

To direct the Secretary of Education to establish a personal finance education portal on a centralized website of the Department of Education pertaining to Federal financial aid.

IN THE HOUSE OF REPRESENTATIVES

JULY 8, 2024

Ms. LEGER FERNANDEZ introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To direct the Secretary of Education to establish a personal finance education portal on a centralized website of the Department of Education pertaining to Federal financial aid.

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 Fitness
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Nearly 45,300,000 people owe an average of
2 \$37,338 in Federal student loans, and student loan
3 debt in the United States totals
4 \$1,765,000,000,000. The average student loan debt
5 has tripled since 2007.

6 (2) Student debt has significant racial equity
7 implications. Approximately half of Black college
8 students are using Federal student loans to cover
9 educational costs, and Black college graduates are
10 still substantially more likely than white college
11 graduates to default on their debt within 4 years of
12 graduation. In addition, the default rate for Black
13 borrowers is substantially higher than white bor-
14 rowers (17 percent versus 9 percent). Students who
15 are veterans, parents, first-generation college stu-
16 dents, or low income are also likely to face higher
17 risk of default.

18 (3) As of 2022, 18 percent of Hispanic and
19 Latino college graduates who had taken out loans
20 for tuition and school expenses were behind on their
21 payments, in contrast with 9 percent of White stu-
22 dent borrowers. Hispanic and Latino borrowers also
23 were the most likely to delay getting married and
24 having children due to student loan debt.

1 (4) Native American financial status remains
2 among the lowest of all minority populations in the
3 Nation. Native people are the least likely of all popu-
4 lation groups, including other minorities, to plan for
5 retirement, have an emergency fund, or have a
6 checking account.

7 (5) Among college graduates with any out-
8 standing debt for their education, first-generation
9 college graduates tend to owe more.

10 (6) Student debt among older adults has stead-
11 ily increased, with many individuals taking on debt
12 to finance higher education for their children and
13 grandchildren.

14 (7) Despite the fact that many students and
15 families must make substantial and highly con-
16 sequential decisions about student loan borrowing
17 and face growing college affordability challenges,
18 only 17 States make personal finance a required
19 part of basic education.

20 (8) Of non-retired American adults, 42 percent
21 age 18–29 have no retirement savings; 26 percent of
22 those age 30–44; 17 percent of those age 45–59;
23 and 13 percent of those over age 60.

24 (9) People with self-directed retirement savings
25 (nearly 7 in 10 non-retired adults) must make deci-

1 sions about how the money is invested. Six in 10
2 non-retirees with these self-directed accounts express
3 low levels of comfort in making investment decisions
4 with their retirement savings.

5 (10) The COVID–19 pandemic exacerbated the
6 need to provide families with better tools to weather
7 financial challenges, with a rapid spike in unemploy-
8 ment occurring in mid-2020, along with significant
9 shifts to individuals’ housing and transportation
10 needs.

11 (11) Nearly 1 in 10 student loan borrowers end
12 up in default, and even more struggle to repay their
13 loans, indicating an important need to ensure bor-
14 rowers can access information to help them navigate
15 repayment and succeed financially.

16 **SEC. 3. PERSONAL FINANCE EDUCATION PORTAL.**

17 (a) IN GENERAL.—Not later than 3 years after the
18 date of enactment of this Act, the Secretary of Education,
19 in consultation with the Director of the Bureau of Con-
20 sumer Financial Protection, the Secretary of the Treasury
21 as chair of the Financial Literacy and Education Commis-
22 sion, and the Commissioner of Internal Revenue, shall es-
23 tablish a personal finance education portal on a central-
24 ized and publicly available website of the Department of
25 Education pertaining to Federal financial aid for the vol-

1 untary use by recipients of aid awarded under title IV of
2 the Higher Education Act of 1965 (20 U.S.C. 1070 et
3 seq.).

4 (b) CONTENT OF PERSONAL FINANCE EDUCATION
5 PORTAL.—The personal finance education portal estab-
6 lished under subsection (a) shall include information on
7 personal finance concepts, including the following:

8 (1) Core personal finance concepts, such as
9 earning, saving, investing, spending, and borrowing,
10 including—

11 (A) the concept of compound growth as it
12 applies to savings and retirement savings, with
13 information about the different types of retire-
14 ment savings accounts; and

15 (B) budgeting and credit usage.

16 (2) Managing student loan repayment, includ-
17 ing—

18 (A) the interaction between savings and re-
19 tirement decisions and Federal student loan re-
20 payment plans;

21 (B) Federal student loan discharge or for-
22 giveness options;

23 (C) the types of voluntary benefits employ-
24 ers may use to help workers while they are pay-
25 ing down student loan debt;

1 (D) tax credits or deductions that are rel-
2 evant to student loan borrowers in repayment;

3 (E) how to interpret loan terms and condi-
4 tions;

5 (F) how to distinguish between Federal
6 student loans and private student loans and
7 their benefits; and

8 (G) any other Federal policies that signifi-
9 cantly impact student loan borrowers in repay-
10 ment, as determined by the Secretary of Edu-
11 cation.

12 (3) Any other personal finance concepts deter-
13 mined relevant by the Secretary of Education, in
14 consultation with the Director of the Bureau of Con-
15 sumer Financial Protection, the Secretary of the
16 Treasury as chair of the Financial Literacy and
17 Education Commission, and the Commissioner of In-
18 ternal Revenue.

19 (c) PROVISION OF CONTENT.—The personal finance
20 content included under subsection (b) may be provided in
21 an interactive format through text or video.

22 (d) ANALYTICS.—The Secretary of Education, in con-
23 sultation with the Director of the Bureau of Consumer
24 Financial Protection, the Secretary of the Treasury as
25 chair of the Financial Literacy and Education Commis-

1 sion, and the Commissioner of Internal Revenue, shall re-
2 view not less than once every three years the utilization
3 of the portal established under subsection (a) and make
4 such findings publicly available.

5 (e) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to carry out this Act
7 \$5,000,000 for the period of fiscal years 2024 through
8 2027.

○