

Senate File 475

H-8145

1 Amend the amendment, H-8001, to Senate File 475, as amended,
2 passed, and reprinted by the Senate, as follows:

3 1. Page 12, after line 24 by inserting:

4 <DIVISION ____

5 FINANCIAL LITERACY

6 Sec. _____. Section 256.11, subsection 5, Code 2018, is
7 amended by adding the following new paragraph:

8 NEW PARAGRAPH. k. One-half unit of personal finance
9 literacy. All students shall complete at least one-half unit
10 of personal finance literacy as a condition of graduation. The
11 curriculum shall, at a minimum, address the following:

12 (1) Savings, including emergency fund, purchases, and
13 wealth building.

14 (2) Understanding investments, including compound and
15 simple interest, liquidity, diversification, risk return
16 ratio, certificates of deposit, money market accounts, single
17 stocks, bonds, mutual funds, rental real estate, annuities,
18 commodities, and futures.

19 (3) Wealth building and college planning, including
20 long-term and short-term investing using tax-favored plans,
21 individual retirement accounts and payments from such accounts,
22 employer-sponsored retirement plans and investments, public and
23 private educational savings accounts, and uniform gifts and
24 transfers to minors.

25 (4) Credit and debt, including credit cards, payday
26 lending, rent-to-own transactions, debt consolidation,
27 automobile leasing, cosigning a loan, debt avoidance, and the
28 marketing of debt, especially to young people.

29 (5) Consumer awareness of the power of marketing on buying
30 decisions including zero percent interest offers; marketing
31 methods, including product positioning, advertising, brand
32 recognition, and personal selling; how to read a credit report
33 and correct inaccuracies; how to build a credit score; how to
34 develop a plan to deal with creditors and avoid bankruptcy; and
35 the federal Fair Debt Collection Practices Act.

1 (6) Financial responsibility and money management,
2 including creating and living on a written budget and balancing
3 a checkbook; basic rules of successful negotiating and
4 techniques; and personality or other traits regarding money.
5 (7) Insurance, risk management, income, and career
6 decisions, including career choices that fit personality styles
7 and occupational goals, job search strategies, cover letters,
8 resumes, interview techniques, payroll taxes and other income
9 withholdings, and revenue sources for federal, state, and local
10 governments.
11 (8) Different types of insurance coverage including
12 renters, homeowners, automobile, health, disability, long-term
13 care, identity theft, and life insurance; term life, cash
14 value and whole life insurance; and insurance terms such
15 as deductible, stop loss, elimination period, replacement
16 coverage, liability, and out-of-pocket.
17 (9) Buying, selling, and renting advantages and
18 disadvantages relating to real estate, including adjustable
19 rate, balloon, conventional, government-backed, reverse, and
20 seller-financed mortgages.
21 Sec. _____. EFFECTIVE DATE. This division of this Act takes
22 effect July 1, 2019.>
23 2. By renumbering as necessary.

PETTENGILL of Benton