

JAN 3 1 2006
EDUCATION

HOUSE FILE 2202
BY PETTENGILL, SANDS, KRESSIG,
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SHOMSHOR

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act adding one-half unit of personal finance literacy to the
2 education program school districts and accredited nonpublic
3 schools must offer in grades nine through twelve and providing
4 a future effective date.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2202

1 Section 1. Section 256.11, subsection 5, Code Supplement
2 2005, is amended by adding the following new paragraph:

3 NEW PARAGRAPH. k. One-half unit of personal finance
4 literacy, the curriculum of which shall include, but not be
5 limited to, the use of common banking instruments such as
6 checking accounts; credit; debit cards; compound interest;
7 mortgage, auto, and personal loans; investment basics,
8 including stocks, bonds, and index funds; credit scores;
9 budgeting; saving and debt management; retirement planning and
10 savings; and insurance. All students shall complete at least
11 one-half unit of personal finance literacy as a condition of
12 graduation.

13 Sec. 2. STATE MANDATE FUNDING SPECIFIED. In accordance
14 with section 25B.2, subsection 3, the state cost of requiring
15 compliance with any state mandate included in this Act shall
16 be paid by a school district from state school foundation aid
17 received by the school district under section 257.16. This
18 specification of the payment of the state cost shall be deemed
19 to meet all the state funding-related requirements of section
20 25B.2, subsection 3, and no additional state funding shall be
21 necessary for the full implementation of this Act by and
22 enforcement of this Act against all affected school districts.

23 Sec. 3. EFFECTIVE DATE. This Act takes effect July 1,
24 2007.

25 EXPLANATION

26 This bill adds a one-half unit course in personal finance
27 literacy to the educational program each school district and
28 accredited nonpublic school is required to offer in grades
29 nine through 12, and requires all students to take the course
30 as a condition of graduation. The personal finance curriculum
31 includes the use of common banking instruments such as
32 checking accounts; credit; debit cards; compound interest;
33 mortgage, auto, and personal loans; investment basics
34 including stocks, bonds, and index funds; credit scores;
35 budgeting; saving and debt management; retirement planning and

1 savings; and insurance.

2 The bill may include a state mandate as defined in Code
3 section 25B.3. The bill requires that the state cost of any
4 state mandate included in the bill be paid by a school
5 district from state school foundation aid received by the
6 school district under Code section 257.16. The specification
7 is deemed to constitute state compliance with any state
8 mandate funding-related requirements of Code section 25B.2.
9 The inclusion of this specification is intended to reinstate
10 the requirement of political subdivisions to comply with any
11 state mandates included in the bill.

12 The bill takes effect July 1, 2007.

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