

Amendment No. 494

Senate Amendment to Senate Bill No. 220

(BDR 34-654)

Proposed by: Senate Committee on Education**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

KRO/MSN



Date: 4/14/2015

S.B. No. 220—Requires instruction on financial literacy in public middle schools and junior high schools. (BDR 34-654)



SENATE BILL NO. 220—SENATORS WOODHOUSE, DENIS, FORD, KIHUEN, PARKS;
ATKINSON, HARRIS, MANENDO, ROBERSON AND SPEARMAN

MARCH 5, 2015

JOINT SPONSORS: ASSEMBLYMEN STEWART,
SWANK, DIAZ AND CARLTON

Referred to Committee on Education

SUMMARY—Requires instruction on financial literacy in public middle schools
and junior high schools. (BDR 34-654)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to education; requiring instruction on financial literacy for pupils
enrolled in middle school and junior high school in each school district
and in each charter school that operates as a middle school or junior
high school; creating the Account for Instruction on Financial
Literacy in the State General Fund; and providing other matters
properly relating thereto.

Legislative Counsel's Digest:

Existing law requires instruction on financial literacy for pupils enrolled in high school in
each school district and in each charter school that operates as a high school. (NRS 389.074)
~~(This)~~ Section 2 of this bill additionally requires instruction on financial literacy for pupils
enrolled in middle school and junior high school in each school district and in each charter
school that operates as a middle school or junior high school. ~~(This bill)~~ Section 2 requires
the Council to Establish Academic Standards to include the standards of content and
performance for a course of instruction in financial literacy in the standards of content
and performance established by the Council for each middle school, junior high school
and high school. Section 2 also requires that ~~such~~ instruction in financial literacy include
certain topics and be provided within a course of study ~~(in mathematics)~~ for which the
Council has established the relevant standards of content and performance. Section 1 of
this bill creates the Account for Instruction on Financial Literacy in the State General
Fund and provides that money in the Account may be used only for providing the
instruction on financial literacy required by section 2.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 388 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Account for Instruction on Financial Literacy is hereby created in the State General Fund, to be administered by the Superintendent of Public Instruction. The Superintendent of Public Instruction may accept gifts and grants of money from any source for deposit in the Account. Any money from gifts and grants may be expended in accordance with the terms and conditions of the gift or grant, or in accordance with subsection 2. The interest and income earned on the sum of the money in the Account and any unexpended appropriations made to the Account from the State General Fund must be credited to the Account. Any money remaining in the Account at the end of the fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

2. Except as otherwise provided in subsection 1, the money in the Account may be used only for providing the instruction on financial literacy required by NRS 389.074. The State Board shall adopt regulations governing the distribution of money in the Account for this purpose.

~~Section 1.~~ **Sec. 2.** NRS 389.074 is hereby amended to read as follows:

389.074 1. The board of trustees of each school district and the governing body of each charter school that operates as a **middle school, junior high school or** high school shall ensure that instruction on financial literacy is provided to pupils enrolled in each public **middle school, junior high school and** high school within the school district or in the charter school, as applicable. The instruction must include, without limitation:

(a) The skills necessary to develop financial responsibility, including, without limitation:

(1) Making reasonable financial decisions by analyzing the alternatives and consequences of those financial decisions;

(2) Locating and evaluating financial information from various sources;

(3) **Judging the quality of services offered by a financial institution;**

~~(4)~~ (4) Developing communication strategies to discuss financial issues;

~~(4)~~ (5) Controlling personal information; and

~~(5)~~ (6) Reviewing and summarizing federal and state consumer protection laws.

(b) The skills necessary to manage finances, including, without limitation:

(1) Developing a plan for spending and saving;

(2) Developing a system for keeping and using financial records; and

(3) Developing a personal financial plan.

(c) The skills necessary to understand the use of credit and the incurrence of debt, including, without limitation:

(1) Identifying the costs and benefits of various types of credit;

(2) Understanding methods to manage debt and the consequences of acquiring debt;

(3) Understanding how interest rates, compounding frequency and the terms of a loan affect the cost of credit;

(4) Completing an application for a loan;

(5) Understanding different types of loans that are available, including, without limitation, payday loans, automobile loans, student loans and mortgages;

(6) Explaining the purpose of a credit report, including, without limitation, the manner in which a credit report is used by lenders;
~~(3) (7)~~ Describing the rights of a borrower regarding his or her credit report;

~~(4) (8)~~ Identifying methods to avoid and resolve debt problems; and
~~(5) (9)~~ Reviewing and summarizing federal and state consumer credit protection laws.

(d) The skills necessary to understand the basic principles of saving and investing, including, without limitation:

(1) Understanding how saving and investing contribute to financial well-being;

(2) Understanding the methods of investing and alternatives to investing;

(3) Understanding how to buy and sell investments; ~~and~~

(4) *Understanding compound interest, including, without limitation, in the context of investments;*

(5) *Understanding various types of securities that may be purchased, including, without limitation, stocks and bonds; and*

(6) Understanding how the regulation of financial institutions protects investors.

(e) *The skills necessary to prevent and limit the consequences of identity theft and fraud.*

(f) *The skills necessary to understand the basic assessment of taxes, including, without limitation, understanding the manner in which taxes are computed by local, state and federal governmental entities.*

(g) *The skills necessary to understand the basic principles of insurance, including, without limitation:*

(1) *Understanding the function of various insurance policies; and*

(2) *Determining the quality of an insurance provider.*

2. The standards of content and performance for a course of instruction in financial literacy required by subsection 1 ~~may~~ *must* be included in the standards of content and performance established by the Council to Establish Academic Standards pursuant to NRS 389.520 for such a course in each public middle school, junior high school and high school, including, without limitation, each charter school that operates as a middle school, junior high school or high school. The instruction required by subsection 1 must be included within a course ~~for program of instruction that pupils enrolled in high school are otherwise required to complete for graduation.} of study ~~in mathematics.~~ for which the Council has established the relevant standards of content and performance.~~

3. The board of trustees of each school district and the governing body of each charter school that operates as a middle school, junior high school or high school shall encourage persons to:

(a) Donate money to the Account for Instruction on Financial Literacy created by section 1 of this act; and

(b) Volunteer time, expertise and resources to assist a school district, governing body of a charter school, public school or teacher in the provision of instruction in financial literacy.

~~Sec. 2.~~ Sec. 3. This act becomes effective on July 1, 2015.