

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 1019
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PROPOSED HOUSE COMMITTEE SUBSTITUTE S1019-PCS55435-SF-39

Short Title: Establish NC Financial Literacy Council.

(Public)

Sponsors:

Referred to:

March 26, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A FINANCIAL LITERACY COUNCIL TO COORDINATE AND
3 EXPAND THE STATEWIDE DELIVERY OF FINANCIAL EDUCATION FOR ALL
4 NORTH CAROLINIANS.

5 Whereas, the Skill Set Survey conducted through the Department of the State
6 Treasurer found seventh graders failed in their knowledge of basic financial concepts; and

7 Whereas, the North Carolina Jump\$tart Coalition's semiannual survey of high
8 schoolers found that North Carolina's young people understand less about financial concepts
9 and the functioning of the economy than was the case two years previously; and

10 Whereas, nearly three million households in North Carolina do not have
11 relationships with mainstream financial institutions that provide opportunities to save and
12 access other financial services; and

13 Whereas, more than one-fourth of all North Carolina households with children do
14 not have enough money saved to weather a loss of earned income for three months; Now,
15 therefore,

16 The General Assembly of North Carolina enacts:

17 **SECTION 1.** Chapter 114 of the General Statutes is amended by adding a new
18 Article to read:

19 "Article 8.

20 "Financial Literacy Council.

21 **"§ 114-50. Financial Literacy Council established; purpose.**

22 There is established within the Department of Justice the North Carolina Financial Literacy
23 Council (Council). The Council shall monitor and assist the Department of Public Instruction in
24 the coordination of statewide delivery of financial education within the public school system,
25 shall identify programs designed to increase the financial literacy of North Carolinians outside
26 the public school system, and shall work to expand access to financial education resources and
27 programs in communities across North Carolina.

28 **"§ 114-51. Membership; terms; quorum.**

29 (a) The Council shall consist of 18 members appointed by and serving at the pleasure of
30 the Governor. The Governor shall designate a chair from among the members of the Council.
31 Membership shall be as follows:

32 (1) Ten members from government agencies with responsibility for programs
33 and services related to financial education, financial services, and related



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1 economic stability efforts. At least one representative shall come from each
2 of the following government agencies:

- 3 a. Community College System.
- 4 b. Department of Commerce.
- 5 c. Department of Justice.
- 6 d. Department of Labor.
- 7 e. Department of Public Instruction.
- 8 f. Department of the Secretary of State.
- 9 g. Department of State Treasurer.
- 10 h. Office of the Commissioner of Banks.
- 11 i. The University of North Carolina.

12 (2) Two public members with experience in the financial services industry.

13 (3) Two public members who represent employers with experience in providing
14 financial education to their employees.

15 (4) Four public members with experience in consumer advocacy or nonprofit
16 financial education.

17 (b) Members of the Council shall be appointed for terms of three years and shall serve
18 until their successors are appointed and qualified.

19 (c) A majority of the Council's members shall constitute a quorum.

20 "**§ 114-52. Staffing.**

21 The Department of Justice shall provide administrative and staff support to the Council.

22 "**§ 114-53. Duties.**

23 The Council shall meet at least quarterly and shall perform the following duties:

24 (1) Study and document current financial education programs in North Carolina
25 and best practices across the country.

26 (2) Coordinate activities related to financial education and asset building that
27 occur within various government agencies, private enterprise, and the
28 nonprofit sector to ensure dissemination of resources and information to
29 households across the State.

30 (3) Propose public and private policy, organizational changes, and systemic
31 changes to ensure all North Carolinians have access to training about
32 necessary financial skills and experience with financial services.

33 (4) Consider and make recommendations specifically to address the following
34 issues:

35 a. Current personal financial literacy programs in the public schools
36 and how to integrate financial education in K-12 to ensure that young
37 people are prepared for financial success.

38 b. Unique financial issues facing students in higher education and how
39 to address those issues through the community colleges and public
40 and private university systems.

41 c. Creation of and access to financial products that provide hands-on
42 learning of financial skills.

43 (5) Monitor the outcomes of financial education programs, focusing specifically
44 on the following indicators: improved financial knowledge, improved
45 financial behaviors, and increased access to and use of affordable financial
46 services.

47 (6) Use the talents, expertise, and resources within the State, especially those of
48 the public schools, community colleges, and public and private university
49 systems, as well as the bank and credit union industries, to further its
50 mission.

1 (7) Report annually to the General Assembly and the Governor on the
2 performance of its prescribed duties and on the impact of the financial
3 education activities conducted by State agencies.

4 **"§ 114-54. Compensation and expenses of members.**

5 Public members of the Financial Literacy Council may receive subsistence and travel
6 expenses at the rates set forth in G.S. 138-5 or G.S. 138-6, as appropriate.

7 **"§ 114-55. State officers, etc., upon request, to furnish data and information to the**
8 **Council.**

9 Except as provided in G.S. 105-259, all officers, agents, agencies, and departments of the
10 State are required to give to the Council, upon request, all information and all data that are
11 within their possession or ascertainable from their records and that are pertinent to financial
12 education activities."

13 **SECTION 2.** This act is effective when it becomes law.