

## **BILL ANALYSIS**

S.B. 1590  
By: Zaffirini  
Higher Education  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend insurance can be a critical tool in maintaining a safe, stable financial environment by protecting against financial risk. The parties note there are various kinds of insurance policies, all of which can be complicated, and as such should be part of the financial curriculum that the Texas Legislature has put in place for students in institutions of public and higher education.

Statute requires general academic teaching institutions to offer personal financial literacy training. The Texas Higher Education Coordinating Board is directed to determine the topics that would be covered in the training, and while statute suggests topics that could be covered, insurance is not included in the list. Similarly, statute also describes potential financial literacy topics that could be covered in the Texas Education Agency's financial literacy pilot program, but does not mention insurance.

S.B. 1590 includes insurance in the list of topics to be considered for financial literacy training in institutions of higher education and the financial literacy pilot program in Texas public schools. As proposed, S.B. 1590 amends current law relating to requirements for personal financial literacy training offered by public school districts and public universities.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Higher Education Coordinating Board is modified in SECTION 1 (Section 51.305, Education Code) of this bill.

### **ANALYSIS**

SECTION 1. Amends Section 51.305(b), Education Code, to require the Texas Higher Education Coordinating Board by rule to require a general academic teaching institution to offer training in personal financial literacy to provide students of the institution with the knowledge and skills necessary as self-supporting adults to make critical decisions, rather than important decisions, relating to personal financial matters, and determine the topics to be covered by the training, which may include budgeting, credit cards, spending, saving, loan repayment and consolidation, taxes, retirement planning, insurance, and financing of health care and other benefits.

SECTION 2. Amends Section 29.915(c), Education Code, to require that required curriculum and instructional materials developed by the Texas Education Agency, in collaboration with the Office of Consumer Credit Commissioner and the State Securities Board, include certain information, including information about the use of insurance as a means of protecting against financial risk; and to make nonsubstantive changes.

SECTION 3. Effective date: upon passage or September 1, 2013.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2013.