

STATE OF NEW YORK

1589

2019-2020 Regular Sessions

IN SENATE

January 15, 2019

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the financial services law, in relation to establishing the state financial literacy commission

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The financial services law is amended by adding a new article 7 to read as follows:

ARTICLE 7

STATE FINANCIAL LITERACY COMMISSION

Section 701. Definitions.

702. State financial literacy commission.

703. Powers and duties.

8 § 701. Definitions. For the purposes of this article, the following terms shall have the following meanings:

10 1. "Financial capability" means: (a) financial literacy and access to appropriate financial products; and

12 (b)(i) the ability to act, including knowledge, skills, confidence, and motivation; and

14 (ii) the opportunity to act, through access to beneficial financial products and institutions.

16 2. "Financial literacy" means the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being.

19 § 702. State financial literacy commission. 1. There is created a state financial literacy commission to measurably improve the financial literacy and financial capability of New York state residents.

22 2. The commission shall be composed of the following members:

23 (a) the state comptroller or designee;

24 (b) the commissioner of education or designee;

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 (c) one representative of the executive branch, appointed by the
2 governor, who is an employee of an agency or department that conducts
3 financial literacy education outreach efforts in New York state, includ-
4 ing the office of children and family services, department of financial
5 services, or the department of labor, but not including the department
6 of education;

7 (d) a member of the assembly appointed by the speaker of the assembly
8 and a member of the senate appointed by the temporary president of the
9 senate;

10 (e) a kindergarten through twelfth grade public school financial
11 literacy educator appointed by New York state united teachers;

12 (f) one representative of kindergarten through twelfth grade public
13 school administration, currently serving as a school board member,
14 superintendent, or principal, appointed by the governor based on nomi-
15 nees submitted by the New York state school boards association, the New
16 York state council of school superintendents, and the school administra-
17 tors association of New York state;

18 (g) three representatives focused on collegiate financial literacy
19 issues;

20 (i) the chairman of the New York state higher education services
21 corporation or designee;

22 (ii) one representative appointed by the governor from the state
23 university of New York; and

24 (iii) one representative appointed by the governor from an independent
25 college in New York;

26 (h) two representatives from nonprofit entities engaged in providing
27 financial literacy education to New York adults appointed by the gover-
28 nor; and

29 (i) two representatives from New York state's financial services busi-
30 ness community that actively promote financial literacy education to New
31 York state adults, appointed by the governor.

32 3. The state comptroller or designee and another member of the commis-
33 sion, appointed by the governor, who is not an employee of the state of
34 New York, shall serve as co-chairs of the commission.

35 4. (a) Each member shall serve for a three-year term, provided that
36 the state comptroller shall have the authority to designate whether an
37 initial term for each appointee shall be for a one, two, or three-year
38 initial term in order to ensure that no more than one-third of the terms
39 expire in any given year.

40 (b) A vacancy shall be filled by the appointing authority as provided
41 in subdivision two of this section for the remainder of the term.

42 5. The commission may request from any branch, division, department,
43 board, commission, or other agency of the state or any entity that
44 receives state funds, such information as will enable the commission to
45 perform its duties as required in this article.

46 § 703. Powers and duties. The commission established by section seven
47 hundred two of this article shall have the following powers and duties
48 necessary and appropriate to achieve the purposes of this chapter:

49 1. collaborate with relevant state agencies and departments, private
50 enterprise, and nonprofit organizations;

51 2. incentivize New York state's kindergarten through twelfth grade
52 educational system, businesses, community organizations, and govern-
53 mental agencies to implement financial literacy and capability programs;

54 3. advise the governor, agencies and departments, and the legislature
55 on the current status of New York state residents' financial literacy
56 and capability;

1 4. create and maintain a current inventory of all financial literacy
2 and capability initiatives available in the state, and in particular
3 identify trusted options that will benefit New York state residents;

4 5. identify ways to equip New York state residents with the training,
5 information, skills, and tools they need to make sound financial deci-
6 sions throughout their lives and ways to help individuals with low
7 income get access to needed financial products and services;

8 6. identify ways to help New York state residents with low income save
9 and build assets;

10 7. identify ways to help increase the percentage of New York state
11 employees saving for retirement;

12 8. recommend actions that can be taken by the public and private
13 sector to achieve the goal of increasing the financial literacy and
14 capability of all New York state residents;

15 9. promote and raise the awareness in the state about the importance
16 of financial literacy and capability;

17 10. identify key indicators to be tracked regarding financial literacy
18 and capability in New York state;

19 11. analyze data to monitor the progress in achieving an increase in
20 the financial literacy and capability of New York state residents;

21 12. pursue and accept funding from diverse sources outside state
22 government to launch, sustain, expand, and enhance financial literacy
23 and capability efforts in the state;

24 13. disburse funds raised through fund development activities in
25 accordance with the priorities set forth by this section and by the
26 commission;

27 14. consider and implement research and policy initiatives that
28 provide effective and meaningful results; and

29 15. issue a report on the commission's progress and recommendations
30 for increasing the financial literacy and capability of New York state
31 residents to the governor and the legislative committees of jurisdiction
32 during the first month of each legislative session.

33 § 2. This act shall take effect immediately.