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(Original Signature of Member)

118TH CONGRESS  
2D SESSION

# H. R.

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To direct the Secretary of Education to establish a personal finance education portal on a centralized website of the Department of Education pertaining to Federal financial aid.

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## IN THE HOUSE OF REPRESENTATIVES

Ms. LEGER FERNANDEZ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To direct the Secretary of Education to establish a personal finance education portal on a centralized website of the Department of Education pertaining to Federal financial aid.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Financial Fitness  
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1           (1) Nearly 45,300,000 people owe an average of  
2           \$37,338 in Federal student loans, and student loan  
3           debt in the United States totals  
4           \$1,765,000,000,000. The average student loan debt  
5           has tripled since 2007.

6           (2) Student debt has significant racial equity  
7           implications. Approximately half of Black college  
8           students are using Federal student loans to cover  
9           educational costs, and Black college graduates are  
10          still substantially more likely than white college  
11          graduates to default on their debt within 4 years of  
12          graduation. In addition, the default rate for Black  
13          borrowers is substantially higher than white bor-  
14          rowers (17 percent versus 9 percent). Students who  
15          are veterans, parents, first-generation college stu-  
16          dents, or low income are also likely to face higher  
17          risk of default.

18          (3) As of 2022, 18 percent of Hispanic and  
19          Latino college graduates who had taken out loans  
20          for tuition and school expenses were behind on their  
21          payments, in contrast with 9 percent of white stu-  
22          dent borrowers. Hispanic and Latino borrowers also  
23          were the most likely to delay getting married and  
24          having children due to student loan debt.

1           (4) Native American financial status remains  
2           among the lowest of all minority populations in the  
3           Nation. Native people are the least likely of all popu-  
4           lation groups, including other minorities, to plan for  
5           retirement, have an emergency fund, or have a  
6           checking account.

7           (5) Among college graduates with any out-  
8           standing debt for their education, first-generation  
9           college graduates tend to owe more.

10          (6) Student debt among older adults has stead-  
11          ily increased, with many individuals taking on debt  
12          to finance higher education for their children and  
13          grandchildren.

14          (7) Despite the fact that many students and  
15          families must make substantial and highly con-  
16          sequential decisions about student loan borrowing  
17          and face growing college affordability challenges,  
18          only 17 States make personal finance a required  
19          part of basic education.

20          (8) Of non-retired American adults, 42 percent  
21          age 18–29 have no retirement savings; 26 percent of  
22          those age 30–44; 17 percent of those age 45–59;  
23          and 13 percent of those over age 60.

24          (9) People with self-directed retirement savings  
25          (nearly 7 in 10 non-retired adults) must make deci-

1 sions about how the money is invested. Six in 10  
2 non-retirees with these self-directed accounts express  
3 low levels of comfort in making investment decisions  
4 with their retirement savings.

5 (10) The COVID–19 pandemic exacerbated the  
6 need to provide families with better tools to weather  
7 financial challenges, with a rapid spike in unemploy-  
8 ment occurring in mid-2020, along with significant  
9 shifts to individuals’ housing and transportation  
10 needs.

11 (11) Nearly 1 in 10 student loan borrowers end  
12 up in default, and even more struggle to repay their  
13 loans, indicating an important need to ensure bor-  
14 rowers can access information to help them navigate  
15 repayment and succeed financially.

16 **SEC. 3. PERSONAL FINANCE EDUCATION PORTAL.**

17 (a) IN GENERAL.—Not later than 3 years after the  
18 date of enactment of this Act, the Secretary of Education,  
19 in consultation with the Director of the Bureau of Con-  
20 sumer Financial Protection, the Secretary of the Treasury  
21 as chair of the Financial Literacy and Education Commis-  
22 sion, and the Commissioner of Internal Revenue, shall es-  
23 tablish a personal finance education portal on a central-  
24 ized and publicly available website of the Department of  
25 Education pertaining to Federal financial aid for the vol-

1 untary use by recipients of aid awarded under title IV of  
2 the Higher Education Act of 1965 (20 U.S.C. 1070 et  
3 seq.).

4 (b) CONTENT OF PERSONAL FINANCE EDUCATION  
5 PORTAL.—The personal finance education portal estab-  
6 lished under subsection (a) shall include information on  
7 personal finance concepts, including the following:

8 (1) Core personal finance concepts, such as  
9 earning, saving, investing, spending, and borrowing,  
10 including—

11 (A) the concept of compound growth as it  
12 applies to savings and retirement savings, with  
13 information about the different types of retire-  
14 ment savings accounts; and

15 (B) budgeting and credit usage.

16 (2) Managing student loan repayment, includ-  
17 ing—

18 (A) the interaction between savings and re-  
19 tirement decisions and Federal student loan re-  
20 payment plans;

21 (B) Federal student loan discharge or for-  
22 giveness options;

23 (C) the types of voluntary benefits employ-  
24 ers may use to help workers while they are pay-  
25 ing down student loan debt;

1 (D) tax credits or deductions that are rel-  
2 evant to student loan borrowers in repayment;

3 (E) how to interpret loan terms and condi-  
4 tions;

5 (F) how to distinguish between federal stu-  
6 dent loans and private student loans and their  
7 benefits; and

8 (G) any other Federal policies that signifi-  
9 cantly impact student loan borrowers in repay-  
10 ment, as determined by the Secretary of Edu-  
11 cation.

12 (3) Any other personal finance concepts deter-  
13 mined relevant by the Secretary of Education, in  
14 consultation with the Director of the Bureau of Con-  
15 sumer Financial Protection, the Secretary of the  
16 Treasury as chair of the Financial Literacy and  
17 Education Commission, and the Commissioner of In-  
18 ternal Revenue.

19 (c) PROVISION OF CONTENT.—The personal finance  
20 content included under subsection (b) may be provided in  
21 an interactive format through text or video.

22 (d) ANALYTICS.—The Secretary of Education, in con-  
23 sultation with the Director of the Bureau of Consumer  
24 Financial Protection, the Secretary of the Treasury as  
25 chair of the Financial Literacy and Education Commis-

1 sion, and the Commissioner of Internal Revenue, shall re-  
2 view not less than once every three years the utilization  
3 of the portal established under subsection (a) and make  
4 such findings publicly available.

5 (e) AUTHORIZATION OF APPROPRIATIONS.—There  
6 are authorized to be appropriated to carry out this Act  
7 \$5,000,000 for the period of fiscal years 2024 through  
8 2027.