

110TH CONGRESS  
2D SESSION

# S. 3053

To amend title XI of the Social Security Act to provide grants for eligible entities to provide services to improve financial literacy among older individuals.

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## IN THE SENATE OF THE UNITED STATES

MAY 22, 2008

Mr. SMITH (for himself and Ms. CANTWELL) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XI of the Social Security Act to provide grants for eligible entities to provide services to improve financial literacy among older individuals.

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. FINANCIAL LITERACY SERVICES.**

4       Part A of title XI of the Social Security Act (42  
5       U.S.C. 1301 et seq.) is amended by adding at the end  
6       the following new section:

7                       “FINANCIAL LITERACY SERVICES

8       “SEC. 1150A. (a) DEFINITIONS.—In this section:

1           “(1) AREA AGENCY ON AGING.—The term ‘area  
2       agency on aging’ has the meaning given that term  
3       in section 102 of the Older Americans Act of 1965  
4       (42 U.S.C. 3002).

5           “(2) FINANCIAL LITERACY SERVICES.—The  
6       term ‘financial literacy services’ means the services  
7       described in subsection (b)(1).

8           “(3) OLDER INDIVIDUAL.—The term ‘older in-  
9       dividual’ has the meaning given that term in such  
10      section 102.

11      “(b) GRANTS FOR SERVICES.—

12           “(1) IN GENERAL.—The Secretary shall make  
13      grants to eligible entities and other entities deter-  
14      mined appropriate by the Secretary to enable the en-  
15      tities to provide services to improve financial literacy  
16      among older individuals, including older individuals  
17      who are women, and the family members and legal  
18      representatives of such individuals. The Secretary  
19      shall make the grants on a competitive basis, and  
20      nationwide.

21           “(2) ELIGIBLE ENTITIES.—To be eligible to re-  
22      ceive a grant under this subsection, an entity shall  
23      be an area agency on aging or another entity that  
24      meets such requirements as the Secretary may speci-  
25      fy.

1           “(3) APPLICATION.—To be eligible to receive a  
 2           grant under this subsection, an entity shall submit  
 3           an application to the Secretary at such time, in such  
 4           manner, and containing such information as the Sec-  
 5           retary may require. In the case of an entity who in-  
 6           tends to provide the financial literacy services jointly  
 7           with other services as described in paragraph (4)(C),  
 8           the application shall include information dem-  
 9           onstrating that the entity has the capacity to provide  
 10          the services jointly.

11          “(4) USE OF FUNDS.—

12                 “(A) IN GENERAL.—An entity that re-  
 13                 ceives a grant under this subsection shall use  
 14                 the funds made available through the grant to  
 15                 provide financial literacy services, such as fi-  
 16                 nancial literacy education, training, and assist-  
 17                 ance.

18                 “(B) PROVISION THROUGH CONTRACTS.—

19                 The entity may provide the services directly or  
 20                 by entering into a contract with an organization  
 21                 that provides counseling, advice, or representa-  
 22                 tion to older individuals and the family mem-  
 23                 bers and legal representatives of such individ-  
 24                 uals in a community served by the entity.

1 “(C) PROVISION WITH OTHER SERVICES.—

2 The entity may provide the services alone or  
3 jointly with other services provided by or fund-  
4 ed by the eligible entity, such as—

5 “(i) services provided through State  
6 Health Insurance Assistance Programs;

7 “(ii) services provided through a  
8 Long-Term Care Ombudsman program  
9 under section 307(a)(9) or 712 of the  
10 Older Americans Act of 1965 (42 U.S.C.  
11 3027, 3058g);

12 “(iii) information and assistance serv-  
13 ices provided under the Older Americans  
14 Act of 1965 (42 U.S.C. 3001 et seq.);

15 “(iv) legal assistance services provided  
16 under the Older Americans Act of 1965  
17 (42 U.S.C. 3001 et seq.);

18 “(v) services provided through Senior  
19 Medicare Patrol Projects conducted by the  
20 Administration on Aging;

21 “(vi) case management services; and

22 “(vii) services provided through Aging  
23 and Disability Resource Centers.

1           “(5) REPORT.—The Secretary shall submit to  
2           Congress an annual report on the activities carried  
3           out by entities under a grant under this subsection.

4           “(c) NATIONAL SUPPORT CENTER FOR FINANCIAL  
5 LITERACY GRANT.—

6           “(1) IN GENERAL.—The Secretary may make a  
7           grant to an eligible center to coordinate the services  
8           provided through, and support the grant recipients  
9           under, the grant program carried out under sub-  
10          section (b).

11          “(2) ELIGIBLE CENTER.—To be eligible to re-  
12          ceive a grant under this subsection, a center shall—

13               “(A) be an entity that is housed within an  
14               organization described in section 501(c) of the  
15               Internal Revenue Code of 1986 that is exempt  
16               from taxation under section 501(a) of such  
17               Code;

18               “(B) have a minimum of 10 years experi-  
19               ence operating a national program and support  
20               center with a focus on financial literacy; and

21               “(C) be primarily engaged in outreach and  
22               training activities designed to provide financial  
23               education and retirement planning for low- and  
24               moderate-income individuals, particularly with  
25               respect to women; and

1           “(D) have a demonstrated record of col-  
2           laboration with organizations that focus on the  
3           needs of low- and moderate-income individuals  
4           and with national organizations serving the el-  
5           derly, including those working with area agen-  
6           cies on aging and women, as well as organiza-  
7           tions with expertise in financial services and re-  
8           lated fields.

9           “(3) USE OF FUNDS.—A center that receives a  
10          grant under this subsection shall use the funds made  
11          available through the grant to—

12           “(A) design and conduct training (which  
13           may include providing training for trainers) re-  
14           lated to financial literacy services;

15           “(B) provide curricula for financial literacy  
16           services;

17           “(C) develop and disseminate relevant in-  
18           formation about financial literacy services;

19           “(D) conduct outreach to national, State,  
20           and community organizations through a series  
21           of strategic partnerships in order to improve fi-  
22           nancial literacy among older individuals and the  
23           family members and legal representatives of  
24           such individuals;

1           “(E) provide technical assistance to the  
2           grant recipients under subsection (b) with re-  
3           spect to the program; and

4           “(F) collect data from such grant recipi-  
5           ents about the services provided under this sec-  
6           tion, and the impact of those services.

7           “(4) ADDRESSING CHALLENGES TO WOMEN IN  
8           SECURING ADEQUATE RETIREMENT INCOME.—In ad-  
9           dition to the activities described in paragraph (3), a  
10          center that receives a grant under this subsection  
11          shall use the funds made available through the grant  
12          to conduct activities that are focused on addressing  
13          the challenges faced by older women, women of  
14          color, single women, and women who are heads of  
15          households to securing an adequate retirement in-  
16          come.

17          “(d) COORDINATION.—The Secretary shall ensure  
18          that the activities carried out under the grant program  
19          under subsection (b) and under a grant made under sub-  
20          section (c) are coordinated with the activities carried out  
21          by—

22               “(1) the Office of Financial Education of the  
23               Department of the Treasury; and

24               “(2) the Financial Literacy and Education  
25               Commission established under section 513 of the Fi-

1        nancial Literacy and Education Improvement Act  
2        (20 U.S.C. 9702).

3        “(e) FUNDING.—The Secretary of the Treasury shall  
4        transfer to the Secretary of Health and Human Services  
5        from the Federal Old-Age and Survivors Insurance Trust  
6        Fund and Federal Disability Insurance Trust Fund estab-  
7        lished under section 201 such funds as are necessary for  
8        making grants under this section.”.

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