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## FISCAL IMPACT REPORT

SPONSOR McQueen ORIGINAL DATE 2/7/16  
 LAST UPDATED \_\_\_\_\_ HM 59

SHORT TITLE More Students in Financial Literacy Classes SB \_\_\_\_\_

ANALYST Fernandez

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

#### No Response

Workforce Solutions Department (WSD)

Higher Education Department (HED)

### SUMMARY

#### Synopsis of Bill

House Memorial 59 requests the Public Education and Workforce Solutions Departments study and develop recommendations that increase the number of high school students who take financial literacy education classes and report findings to the Legislative Education Study Committee by August 1, 2016.

### SIGNIFICANT ISSUES

Currently, 22-13-1.1G NMSA 1978 requires “9 elective units and 7.5 elective units for students entering the ninth grade in the 2005-2006 school year that meet department content and performance standards” and financial literacy courses are allowed as an elective under this requirement.

PED indicates that based on 40<sup>th</sup> day data, only 114 high school students and 7 and 8<sup>th</sup> grade students are taking financial literacy courses as an elective or social science credit.

Section 22-13-1.1 J NMSA 1978 “requires successful completion of the requirements of the New Mexico diploma of excellence shall be required for graduation for students entering the ninth grade beginning in the 2009-2010 school year. Successful completion of a minimum of twenty-four units aligned to the state academic content and performance standards shall be required to earn a New Mexico diploma of excellence.” The units include: “four units in mathematics, of which one shall be the equivalent to or higher than the level of algebra 2, unless the parent submitted written, signed permission for the student to complete a lesser mathematics unit; and provided that a financial literacy course that meets state mathematics academic content and performance standards shall qualify as one of the four required mathematics units.”

According to PED 40<sup>th</sup> day data, 6,190 students are taking Financial Literacy to satisfy the math credit of 4 units required for graduation. The majority of these students are in 12<sup>th</sup> grade.

### **ADMINISTRATIVE IMPLICATIONS**

PED indicates that the request to study and develop recommendations would compete with existing staff resources.

CTF/jle/al