

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill Number:** HM 59

**52nd Legislature, 2nd Session, 2016**

**Tracking Number:** .203567.1

**Short Title:** More Students in Financial Literacy Classes

**Sponsor(s):** Representative Matthew McQueen

**Analyst:** Christina McCorquodale

**Date:** February 8, 2016

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**Bill Summary:**

HM 59 request the Public Education Department and the Workforce Solutions Department to study and develop recommendations to increase the number of high school students taking financial literacy education classes. The memorial requests the findings and recommendations be reported to the Legislative Education Study Committee by August 1, 2016.

**Fiscal Impact:**

The memorial does not include an appropriation. State agencies would be expected to absorb the cost of the proposed study within existing resources.

**Substantive Issues:**

Financial literacy focuses on the specific knowledge and concepts that individuals need to manage money to build financial security and wealth. Financial literacy courses teach students how to create and manage a household budget, use and manage credit, and save and invest money for retirement and other life goals.

In 2016, data from the Investor Education Foundation supported by the Financial Industry Regulatory Authority demonstrated that high school students who are required to take personal finance courses have better-than-average credit scores and lower debt delinquency rates as young adults.

Current New Mexico law offers ninth through 12<sup>th</sup> grade students financial literacy courses as an elective. Financial literacy, just like reading and writing, affects the well-being of every individual and consequently, the economic and social well-being of every community.