

1 A MEMORIAL

2 REQUESTING THE OFFICE OF THE STATE AUDITOR TO CONVENE A  
3 PROSPERITY KIDS WORKING GROUP TO EXPLORE OPPORTUNITIES FOR  
4 PARTNERSHIP AND PROGRAM EXPANSION STATEWIDE.

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6 WHEREAS, in partnership with New Mexico financial  
7 institutions, prosperity works of New Mexico has created a  
8 way for young people and their families who might not  
9 otherwise have the opportunity to save money and for them and  
10 their families to develop financial literacy skills while  
11 participating in new savings opportunities; and

12 WHEREAS, the savings and financial literacy program is a  
13 child savings account (CSA) called prosperity kids, and the  
14 custodial accounts established on behalf of the participants  
15 may be used for post-secondary education upon or after high  
16 school graduation; and

17 WHEREAS, CSAs not used for post-secondary education may  
18 be used for a stable transition into adulthood at age twenty-  
19 three; and

20 WHEREAS, with funding provided through private grants  
21 and individual contributions, prosperity works seeds each  
22 account with one hundred dollars (\$100) and matches family  
23 deposits made into each CSA up to two hundred dollars (\$200)  
24 a year for ten years; and

25 WHEREAS, research has proven that children with a CSA

1 are ahead of their peers in social-emotional development by  
2 age three, and ahead again in math and language in the third  
3 grade; and

4 WHEREAS, research also demonstrates that children with  
5 CSAs are four to six times more likely to enroll in college  
6 and three times more likely to graduate than their peers  
7 without savings accounts; and

8 WHEREAS, currently, the prosperity kids program is only  
9 available to young people living in Bernalillo county; and

10 WHEREAS, research on prosperity kids five hundred  
11 thirteen pilot participants has demonstrated that a culture  
12 of savings and college expectations is a powerful motivator  
13 in the family and community; and

14 WHEREAS, prosperity works and its supporters wish to see  
15 the prosperity kids program expanded statewide; and

16 WHEREAS, in order to fund the expansion of the  
17 prosperity kids program statewide, there may be a possibility  
18 for assessing a fee for licensure of financial products that  
19 could provide funding for prosperity kids; and

20 WHEREAS, a work group of financial experts and  
21 legislators may develop creative ways to finance this  
22 powerful opportunity for the children of New Mexico;

23 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
24 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the state  
25 auditor be requested to convene a working group to

1 investigate partnership opportunities and permanent funding  
2 sources, including the possibility of assessing a fee for  
3 financial products licensure that could be applied to  
4 teaching financial literacy and the expansion of the  
5 prosperity kids program statewide; and

6 BE IT FURTHER RESOLVED that the state auditor be  
7 requested to invite to join the working group experts from  
8 the financial services sector as well as members of the New  
9 Mexico legislature; and

10 BE IT FURTHER RESOLVED that the prosperity kids working  
11 group be requested to make policy and legislative  
12 recommendations to the second session of the fifty-third  
13 legislature; and

14 BE IT FURTHER RESOLVED that a copy of this memorial be  
15 transmitted to the state auditor.

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