

<b>LFC Requester:</b>	<b>Helms</b>
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**AGENCY BILL ANALYSIS  
2023 REGULAR SESSION**

**SECTION I: GENERAL INFORMATION**

*Check all that apply:*

**Original**     **Amendment**      
**Correction**     **Substitute**   

**Date Prepared:** 02/10/23  
**Bill No:** HB279

**Sponsor:** Brown  
**Short Title:**    PERSONAL FINANCE CLASS FOR GRADUATION

**Agency Name and Code Number:**    Agency Name and Code Number: PED - 924  
**Person Writing:**    Gregory Frostad  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
None	None	N/A	NFA

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
None	None	None	N/A	NFA

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	None	None	None	\$75.0	Nonrecurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

Conflicts/Duplicates/Relates to: House Bill 126 (HB126), School Graduation Requirements  
 Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

**SECTION III: NARRATIVE**

**BILL SUMMARY**

**Synopsis:** House Bill 279 (HB279) would amend [Section 22-13-1.1 NMSA 1978](#) to add a requirement for a one-half-credit Personal Finance course for students who enter ninth grade in SY24 and thereafter. This would take the place of an existing one-half-unit elective requirement,

reducing required electives from seven and one half to seven.

### **FISCAL IMPLICATIONS**

HB279 does not include an appropriation.

### **SIGNIFICANT ISSUES**

In 2022 the Public Education Department (PED) finalized [K-12 Social Studies Standards](#), which included economics and financial literacy as the second of six content area strands. As such, students learn economics and financial literacy standards beginning in kindergarten and continuing each school year through eighth grade. In high school, standards for personal finance are included in New Mexico History and Economics classes, both of which are currently required by statute. Currently, Section 22-13-1.1(J)(2) also permits a financial literacy course be taken to fulfill requirements for one of four mathematical units.

### **PERFORMANCE IMPLICATIONS**

N/A

### **ADMINISTRATIVE IMPLICATIONS**

None.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB279 conflicts with House Bill 126 (HB126) [School Graduation Requirements](#), which reduces the required units for high school graduation from 24 to 22 and allows school districts and charter schools to determine 2 of the required units. HB126 would not require a personal finance course, though it could be a requirement as a LEA required elective chosen by a school district or charter school. HB126 would require four elective units, whereas HB279 would require seven elective units.

### **TECHNICAL ISSUES**

N/A

### **OTHER SUBSTANTIVE ISSUES**

Personal finance courses focus on life skills such as “how to make a budget, open an account at a bank or credit union, save and invest for their futures, apply for financial aid for higher education, and avoid high-cost debt,” according to [Think New Mexico](#). The Council for Economic Education (CEE) developed [National Standards for Financial Literacy](#) for K-12 students in 2013, many of which are reflected in New Mexico’s recently adopted financial literacy standards. CEE also issues a biennial [Survey of the States](#) that prioritizes “dedicated courses in personal finance rather than including it in other coursework” and notes that 9 states require dedicated courses, up from 6 in 2020.

According to [Think New Mexico](#), which has advocated for similar bills in the past, “a recent poll conducted by the National Endowment for Financial Education found that 88% of U.S. adults think their state should require a personal finance course for high school graduation. Furthermore, 80% of U.S. adults say they wish they had been required to complete a course focused on personal finance education during high school.”

Evidence suggests that the intent of HB279 to broadly provide financial literacy education is well supported by public opinion and by current education policy in New Mexico.

**ALTERNATIVES**

N/A

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

N/A

**AMENDMENTS**

N/A