

SUBJECT: Requiring personal financial literacy courses for high school students

COMMITTEE: Public Education — committee substitute recommended

VOTE: 12 ayes — Huberty, Bernal, Allen, Allison, Ashby, K. Bell, Dutton, M. González, K. King, Meyer, Talarico, VanDeaver

0 nays

1 absent — Sanford

WITNESSES: For — Chris Masey, Coalition of Texans With Disabilities; Lourdes Zuniga, Financial Literacy Coalition of Central Texas; Pat Hardy; Margaret Kofron; Dean Somerville) (*Registered, but did not testify*: Tom Morgan, American Collectors Association of Texas; Drew Scheberle, Austin Chamber of Commerce; Angela Smith, Fredericksburg Tea Party; Meredyth Fowler, Independent Bankers Association of Texas; Jane McFarland, League of Women Voters of Texas; Will Francis, National Association of Social Workers-Texas Chapter; Scott Bush, Texas Social Studies Supervisors Association; Celeste Embrey, Texas Bankers Association; Kyle Ward, Texas PTA; Julia Parenteau, Texas Realtors; Martha Leal, Texas School Counselor Association; Nataly Saucedo, United Ways of Texas; and nine individuals)

Against — (*Registered, but did not testify*: Bill Kelberlau; Ronda McCauley)

On — (*Registered, but did not testify*: Barry Haenisch, Texas Association of Community Schools; Eric Marin and Monica Martinez, Texas Education Agency; Dee Carney, Texas School Alliance)

BACKGROUND: Education Code sec. 28.0021 requires each school district and each open-enrollment charter school that offers a high school program to provide an elective course in personal financial literacy that meets the requirements of one-half elective credit.

DIGEST: CSHB 1182 would require school districts and open-enrollment charter schools that offer a high school program to provide a course in personal financial literacy. The bill would require students to take the course to fulfill their curriculum graduation requirements under the Foundation High School Program.

CSHB 1182 would decrease the amount of elective credits required of students under the Foundation High School Program from five to four and one-half.

The bill would apply beginning with students entering the 9th grade during the 2019-2020 school year.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUPPORTERS SAY: CSHB 1182 would ensure that every Texas high school student graduated with basic personal financial literacy. Being knowledgeable about finances helps to prevent financial hardships such as credit card debt and bankruptcy and encourages smart financial habits such as budgeting and saving. The bill would cover a wide array of financial topics and would allow for the State Board of Education to designate existing courses to satisfy the personal financial literacy requirement or set the curriculum requirements as they deemed appropriate.

The bill would provide flexibility to school districts by allowing them to use an existing state, federal, private, or nonprofit program that provides students the personal financial literacy instruction without charge. Because the bill also would lower the elective credit requirements, it would not pose an additional burden on schools or students.

OPPONENTS SAY: CSHB 1182 would increase costs for districts by requiring them to hire and train qualified teachers to fulfill the mandated financial literacy course. Requiring the course would add an additional burden on schools to

provide it and on students to sacrifice other electives to fulfill the financial literacy graduation requirement.