

By: Hegar

H.B. No. 1004

A BILL TO BE ENTITLED

AN ACT

relating to a debt finance curriculum requirement in public high schools.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 28.002, Education Code, is amended by adding Subsection (q) to read as follows:

(q) The State Board of Education by rule shall include a debt finance curriculum as part of the essential knowledge and skills of economics and require debt finance education as a condition for high school graduation. The debt finance curriculum must address:

(1) the use of credit cards;

(2) a comparison of different types of financing;

(3) interest rates associated with different types of financing; and

(4) hidden costs associated with debt financing, including the accumulation of interest.

SECTION 2. The State Board of Education shall adopt rules relating to debt finance education in accordance with Section 28.002(q), Education Code, as added by this Act, not later than May 1, 2006. The rules shall require each school district to provide instruction in debt finance to high school students beginning with the 2006-2007 school year. In addition, the rules shall provide a transition period for requiring debt finance education as a

1 condition for high school graduation in a manner that does not work  
2 an undue hardship on students who are in the junior or senior year  
3 of high school during the 2006-2007 school year.

4 SECTION 3. This Act takes effect immediately if it receives  
5 a vote of two-thirds of all the members elected to each house, as  
6 provided by Section 39, Article III, Texas Constitution. If this  
7 Act does not receive the vote necessary for immediate effect, this  
8 Act takes effect September 1, 2005.