**BILL ANALYSIS**

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| Senate Research Center | H.B. 1182 |
|  | By: Goodwin et al. (Alvarado) |
|  | Education |
|  | 5/13/2019 |
|  | Engrossed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 1182 would require students to take a Personal Financial Literacy class in order to graduate from public high school in Texas. Although personal financial literacy is currently an option for public high school students, it is necessary to make the course required for all students. H.B. 1182 requires high school students to take a one semester (1/2 credit hour) of the personal financial literacy class that is already offered as a social studies class. The benefits of a community with a strong financial literacy background support the future financial security of our local communities. This bill will include a committee substitute that would remove 1/2 existing elective credit from the current graduation plan. This 1/2 will be replaced with 1/2 credit of personal financial literacy.

H.B. 1182 amends current law relating to personal financial literacy courses for high school students in public schools.

**RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the State Board of Education is modified in SECTION 2 (Section 28.025, Education Code) of this bill.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 28.0021, Education Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Requires each school district and each open-enrollment charter school that offers a high school program to provide a course in personal financial literacy that meets the requirements for credit under Section 28.025 (High School Diploma and Certificate; Academic Achievement Record), using materials approved by the State Board of Education (SBOE), rather than provide an elective course in personal financial literacy that meets the requirements for a one-half elective credit under Section 28.025, using materials approved by SBOE. Authorizes the course to be offered as a distinct course in personal financial literacy or as an elective course or existing course that includes instruction in personal financial literacy sufficient to meet the requirements for one-half credit under Section 28.025(b-1)(9). Requires the instruction in personal financial literacy to include instruction on:

(1) creates this subdivision from existing text;

(2) the financial consequences of failing to make timely student loan payments;

(3) the effect of student loan debt on a person's finances; and

(4) the circumstances in which student loans are dischargeable in bankruptcy.

(c) Creates this subsection from existing text.

SECTION 2. Amends Section 28.025(b-1), Education Code, as follows:

(b-1) Requires SBOE by rule to require that the curriculum requirements for the foundation high school program under Subsection (a) include a requirement that students successfully complete:

(1)–(5) makes no changes to these subdivisions;

(6) four and one-half, rather than five, elective credits;

(7)–(8) makes nonsubstantive changes to these subdivisions;

(9) at least one-half credit in personal financial literacy under Section 28.0021 (Personal Financial Literacy).

SECTION 3. Provides that Section 28.025(b-1), Education Code, as amended by this Act, applies only to students entering the ninth grade during the 2019–2020 school year or a later school year. Provides that, for students entering a grade above ninth grade during the 2019–2020 school year, Section 28.025(b-1), Education Code, as that section existed before amendment by this Act, applies, and that section is continued in effect for that purpose.

SECTION 4. Effective date: upon passage or September 1, 2019.