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| BILL ANALYSIS |

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| C.S.H.B. 27 |
| By: King |
| Public Education |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE**  The 87th Legislature passed S.B. 1063 to ensure Texas high school students have access to financial training that prepares them for the next stages of their lives by establishing an option to take a one-half credit course in personal financial literacy and economics to fulfill part of the social studies curriculum requirement. The bill author has informed the committee that, although it has become clear personal financial literacy is critical to students' post-secondary success, there is a persistent lack of access to these courses across the state and an insufficient number of Texas students opt to take them. As a result, the Federal Reserve Bank of Dallas has noted that Texas ranks among the bottom 10 states in financial literacy.  The bill author has also informed the committee that the lack of personal financial literacy has become a concern across the country, and in response, 26 states have a form of a financial literacy course as a graduation requirement. C.S.H.B. 27 seeks to make Texas the 27th such state in order to ensure that Texas students are financially prepared for life after high school by establishing a personal financial literacy graduation requirement. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY**  It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution. |
| **ANALYSIS**  C.S.H.B. 27 amends the Education Code to revise the social studies curriculum requirement under the foundation high school program by including one credit of economics among the subjects that would fulfill a certain required credit and by removing the option to complete at least one-half credit either in economics or in personal financial literacy and economics and replacing it with a requirement to complete at least one-half credit in personal financial literacy. This provision applies only to students entering the ninth grade during the 2025-2026 school year or a later school year. For students entering a grade above ninth grade during the 2025-2026 school year, the course credits as they existed before amendment by the bill apply, and those course credits are continued in effect for that purpose.  C.S.H.B. 27 requires the State Board of Education (SBOE), in adopting rules relating to the curriculum requirements for the foundation high school program, to allow a student to comply with the curriculum requirement for a one-half credit in personal financial literacy by successfully completing an advanced placement course designated by the SBOE as containing substantively similar and rigorous academic content.  C.S.H.B. 27 repeals Section 28.025(b-22), Education Code, which requires the SBOE to ensure that a personal financial literacy and economics course taken to comply with the applicable requirement allocates two-thirds of instruction time to instruction in personal financial literacy and one-third of instruction time to instruction in economics.  C.S.H.B. 27 applies beginning with the 2025-2026 school year. |
| **EFFECTIVE DATE**  On passage, or, if the bill does not receive the necessary vote, September 1, 2025. |
| **COMPARISON OF INTRODUCED AND SUBSTITUTE**  While C.S.H.B. 27 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.  The substitute omits the following provisions that were present in the introduced:   * a provision that redesignated courses in personal financial literacy from a component of the enrichment curriculum to a component of the social studies foundation curriculum for each public school district that offers kindergarten through grade 12; and * a provision that changed the course in personal financial literacy each district and open-enrollment charter school that offers a high school program is required to provide from an elective course that meets the curriculum requirements for a one-half elective credit under the foundation high school program to a course in financial literacy that meets the curriculum requirements for the social studies credit under the foundation high school program.   Accordingly, the substitute also omits the provision of the introduced version making the provision regarding the foundation high school program applicable only to students entering the ninth grade during the 2025-2026 school year or a later school year and established that for students entering a grade above ninth grade during the 2025-2026 school year, the requirement as it existed before the bill applies, and is continued in effect for that purpose.  The substitute includes a provision absent from the introduced that requires the SBOE, in adopting rules relating to the curriculum requirements for the foundation high school program, to allow a student to comply with the curriculum requirement for a one-half credit in personal financial literacy by successfully completing certain advanced placement courses designated by the SBOE. |