

BILL ANALYSIS

Senate Research Center
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H.B. 34
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Education
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires a public high school student to earn credit in economics before graduating and requires instruction in personal financial literacy to be incorporated into the economics curriculum. Personal financial literacy curriculum may include instruction in understanding interest, avoiding or eliminating credit card debt, starting a small business, beginning a savings program, and planning for retirement.

The cost of higher education continues to increase, and it is the opinion of interested parties that high school curricula include instruction about paying for higher education. H.B. 34 seeks to fill this need by requiring instruction in paying for postsecondary education and training, including guidance on completing an application for federal student aid, and directing the State Board of Education to approve materials that provide for such instruction.

H.B. 34 amends current law relating to including in the public high school curriculum instruction in methods of paying for postsecondary education and training.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

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

(a) Requires the Texas essential knowledge and skills and Section 28.025 (High School Diploma and Certificate; Academic Achievement Record) to require instruction in personal financial literacy, including instruction in methods of paying for college and other postsecondary education and training, in one or more courses required for high school graduation.

(b) Requires each school district and each open-enrollment charter school that offers a high school program to provide to a student instruction in personal financial literacy in any course meeting the requirements for an economics credit under Section 28.025, using materials approved by the State Board of Education (SBOE). Requires that the instruction in personal financial literacy include instruction on completing the application for federal student aid provided by the United States Department of Education. Authorizes a school district or open-enrollment charter school, in fulfilling the requirement to provide financial literacy instruction under this section, to use an existing state, federal, private, or nonprofit program that provides students without charge the instruction described under this section.

(c) Requires SBOE, not later than January 31, 2012, to identify the essential knowledge and skills of personal financial literacy instruction to include instruction in methods of paying for college and other postsecondary education and training and, not later than August 31, 2012, to approve under Subsection (b) materials that provide for such instruction. Requires each school district and each open-enrollment charter school that

offers a high school program, beginning with the 2013-2014 school year, to include, in required instruction in personal financial literacy, instruction in methods of paying for college and other postsecondary education and training and use materials approved for that purpose under Subsection (b). Provides that this subsection expires September 1, 2014.

SECTION 2. Provides that Section 28.0021(c), Education Code, as added by this Act, applies to a student entering grade nine on or after the effective date of this Act.

SECTION 3. Effective date: upon passage or September 1, 2011.