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FISCAL IMPACT REPORT

ORIGINAL DATE 01/23/08

SPONSOR Rainaldi LAST UPDATED HB

SHORT TITLE Native American Financial Literacy Training SB 84

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Indian Affairs Department (IAD)

SUMMARY

Synopsis of Bill

Senate Bill 84 appropriates \$100 thousand from the general fund to the Indian Affairs Department for culturally appropriate financial literacy training for teens and adults in the Ramah Chapter of the Navajo Nation.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall revert to the general fund.

SIGNIFICANT ISSUES

The Public Education Department notes:

In 2003 Congress established the **Financial Literacy and Education Commission (FLEC)**, through the passage of the Financial Literacy and Education Improvement Act, which was created to "improve the financial literacy and education of persons in the United States through

development of a national strategy to promote financial literacy and education."
(<http://www.treas.gov/offices/domestic-finance/financial-institution/fin-education/commission/>)

The U.S. government has established the website, <http://www.MyMoney.gov>, dedicated to teaching all Americans the basics about financial education. U.S. teens have enormous purchasing power but often lack the skills to manage resources well.
<http://www.fcs.uga.edu/ext/econ/youth.php>

The Indian Affairs Department adds:

According to volunteers with the New Mexico “Focus on the Future” financial literacy program, financial literacy is becoming an important skill for people to learn as more young people are facing issues with overspending and credit card debt. The National Foundation for Credit Counseling estimates that only a minority of Americans keep close track of their expenses and one in four Americans don’t pay their credit cards in full each month. SB 84 would create a financial literacy program in the Ramah Chapter to help Native Americans in this community

MW/mt