A MEMORIAL
REQUESTING THE OFFICE OF THE STATE AUDITOR TO CONVENE A
PROSPERITY KIDS WORKING GROUP TO EXPLORE OPPORTUNITIES FOR
PARTNERSHIP AND PROGRAM EXPANSION STATEWIDE.

WHEREAS, in partnership with New Mexico financial
institutions, prosperity works of New Mexico has created a way
for young people and their families who might not otherwise
have the opportunity to save money and for them and their
families to develop financial literacy skills while
participating in new savings opportunities; and

WHEREAS, the savings and financial literacy program is a
child savings account (CSA) called prosperity kids, and the
custodial accounts established on behalf of the participants
may be used for post-secondary education upon or after high
school graduation; and

.206310.1
WHEREAS, CSAs not used for post-secondary education may be used for a stable transition into adulthood at age twenty-three; and

WHEREAS, with funding provided through private grants and individual contributions, prosperity works seeds each account with one hundred dollars ($100) and matches family deposits made into each CSA up to two hundred dollars ($200) a year for ten years; and

WHEREAS, research has proven that children with a CSA are ahead of their peers in social-emotional development by age three, and ahead again in math and language in the third grade; and

WHEREAS, research also demonstrates that children with CSAs are four to six times more likely to enroll in college and three times more likely to graduate than their peers without savings accounts; and

WHEREAS, currently, the prosperity kids program is only available to young people living in Bernalillo county; and

WHEREAS, research on prosperity kids five hundred thirteen pilot participants has demonstrated that a culture of savings and college expectations is a powerful motivator in the family and community; and

WHEREAS, prosperity works and its supporters wish to see the prosperity kids program expanded statewide; and

WHEREAS, in order to fund the expansion of the prosperity
kids program statewide, there may be a possibility for
assessing a fee for licensure of financial products that could
provide funding for prosperity kids; and

WHEREAS, a work group of financial experts and legislators
may develop creative ways to finance this powerful opportunity
for the children of New Mexico;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
REPRESENTATIVES OF THE STATE OF NEW MEXICO that the state
auditor be requested to convene a working group to investigate
partnership opportunities and permanent funding sources,
including the possibility of assessing a fee for financial
products licensure that could be applied to teaching financial
literacy and the expansion of the prosperity kids program
statewide; and

BE IT FURTHER RESOLVED that the state auditor be requested
to invite to join the working group experts from the financial
services sector as well as members of the New Mexico
legislature; and

BE IT FURTHER RESOLVED that the prosperity kids working
group be requested to make policy and legislative
recommendations to the second session of the fifty-third
legislature; and

BE IT FURTHER RESOLVED that a copy of this memorial be
transmitted to the state auditor.