

Financial Education Fact Sheet Series: **NEW MEXICO**

State efforts focus on financial literacy needs of underserved populations.



nast.org/financialwellness/census

Financial Literacy Programs

Since taking office in 2023, Treasurer Montoya has undertaken several initiatives aimed at improving the financial literacy of New Mexico's citizens.

Treasurer Montoya and STO are new coalition members to the Bank On NM Coalition, which is dedicated to helping improve the financial stability of households in New Mexico by ensuring availability of safe and affordable Bank On certified accounts, raising public awareness of these efforts and opportunities, and expanding access to financial education and other financial empowerment opportunities. STO is also a coalition member of Jump \$tart New Mexico, which is a coalition working together to improve the personal financial literacy of New Mexico's youth and young adults.

The New Mexico State Treasurer's Office will be providing community share and listen events throughout the state of New Mexico to encourage school leaders to support financial fitness and implement it as a graduation requirement.

New Mexico Baby Bonds Initiative

In 2024, New Mexico State Treasurer Laura Montoya supported a collaborative effort on a Baby Bonds pilot initiative. A Baby Bonds is a trust fund created

to allow each baby to receive a pledge startup of capital that will grow over time and be of use after that baby turns 18 years old. Baby Bonds is an initiative that will bridge the gap of inequity and ensure that all children born in New Mexico have an opportunity to achieve financial independence.

NM Enrich Financial Literacy Platform

In January 2024, STO received a grant from Wells Fargo through the National Association of State Treasurers to operate a financial literacy platform to serve as a one-stop destination for personalized solutions to achieve financial goals. The NM Enrich Financial Literacy Platform was launched as a pilot initiative for New Mexico state employees and retirees.

New Mexico Work and \$ave Program

In 2020, House Bill 44 created the New Mexico Work and Save Act and delegated powers and duties to a nine-member Board, which is administratively attached to the STO. The New Mexico Work and \$ave Board is responsible for the design and launch of a state-facilitated private sector retirement plan known as New Mexico Work and \$ave. The plan is comprised of two programs, the Retirement Plan Marketplace and the IRA Program.

NM STABLE Program

The Federal "Achieving a Better Life Experience" (ABLE) Act was adopted in 2014 and was enacted in the 2016 New Mexico Legislative session as the "Accounts for Persons with Disabilities Act."

In 2017, STO entered a no-cost partnership with Ohio's STABLE Program to create and administer a program that is newly "branded" as New Mexico STABLE. STO has opened over 1,800 New Mexico STABLE accounts, surpassing the number of accounts in several other states' ABLE programs.

In the 2024 New Mexico Legislative Session, House Bill 98 (HB98) was introduced and passed to align New Mexico law with federal law, raising the age of onset of disability from age 26 to age 46, beginning January 1, 2026, expanding eligibility for the NM STABLE program to be more inclusive of disabled Veterans and individuals who become disabled later in life.

House Bill 98 also provides exempted clawbacks on NM STABLE accounts and balances from Medicaid recovery so that New Mexicans with disabilities can save, invest, and plan for the future with the same confidence as anyone else.

FUNDING/GOVERNANCE

These programs are subject to annual appropriation of funds.

2024

