

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 645 (Senator Muse)  
Education, Health, and Environmental Affairs

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Prince George's County - Financial Literacy Curriculum - Graduation  
Requirements

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This bill requires the Prince George's County Board of Education to develop curriculum content for a semester-long course in financial literacy to be offered in every high school in the county beginning in the 2015-2016 school year. The curriculum must include instruction in specified topics. Beginning in the 2017-2018 school year, in order to graduate from high school in Prince George's County, a student must complete a course in financial literacy. The bill also repeals language authorizing the Prince George's County Board of Education to develop curriculum content for a hands-on course in financial literacy to be offered to all student in the eighth grade beginning in the 2013-2014 school year.

The bill takes effect July 1, 2015.

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Fiscal Summary

**State Effect:** None. The bill is directed at the Prince George's County Board of Education.

**Local Effect:** Prince George's County Public Schools (PGCPS) expenditures increase to develop the financial literacy curriculum, hire additional teachers or train existing teachers, purchase financial literacy textbooks, and track students to ensure they meet the graduation requirement. Repealing authorization for the hands-on financial literacy course for eighth graders does not directly impact PGCPS expenditures, but it may encourage decreased spending on this initiative. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

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## Analysis

**Current Law:** With the advice of the State Superintendent of Schools, the State Board of Education establishes basic policy and guidelines for the program of instruction for public schools. Subject to State law and the regulations, bylaws, policies, and guidelines established by the State Board of Education, each local board of education must establish the curriculum guides and courses of study for schools in its jurisdiction. Policies, rules, and regulations for the graduation of students from Maryland public schools are established by local boards of education and the State Board of Education. A local school board may develop curriculum content for students in its jurisdiction and establish graduation requirements without a State law authorizing them to do so.

According to regulations, each local school system must provide personal financial literacy programs in elementary, middle, and high schools that at least meet the content standards in the regulations.

The Prince George's County Board of Education is authorized to develop curriculum content for a hands-on course in financial literacy which may be offered to all students in the eighth grade beginning in the 2013-2014 school year. The curriculum content must include instruction in specified topics.

**Background:** Pursuant to State regulations, PGCPS has financial literacy embedded in elementary, middle, and high social studies courses. Currently, financial literacy content is embedded in two courses required for high school graduation: U.S. History and National, State, and Local Government. The school system plans to open a Junior Achievement Finance Park in 2015. The park is intended to provide a hands-on financial literacy education experience for all eighth grade public school students, in addition to related financial literacy classroom time.

**Local Fiscal Effect:** PGCPs expenditures increase to develop the financial literacy curriculum, hire additional teachers or train existing teachers, and purchase financial literacy textbooks. It is unknown what it will cost to develop and implement a financial literacy course that includes the topics specified in the bill. *For illustrative purposes only*, to purchase an \$80 textbook for 4,397 students (approximately half of one grade in PGCPs) costs \$351,760. To hire an additional teacher to teach financial literacy for each high school in 2015-2016 (fiscal 2016), PGCPs expenditures increase by \$2.6 million, excluding any local retirement costs. Training existing teachers costs less than hiring new teachers; however, an exact cost cannot be determined without further information on the training required. Finally, PGCPs expenditures increase to track which students have completed the financial literacy graduation requirement. It is unknown what tracking these students will cost however, it is assumed that the central student database will need to be updated.

Repealing the authorization for Prince George's County Board of Education to develop a hands-on course in financial literacy does not require the board to cancel any hands-on program for eighth graders that had been develop or offered, including the hands-on Junior Achievement Finance Park that is scheduled to open in 2015. However, it may encourage the local school system to decrease spending on this initiative. It is unknown how much money has already been spent of this hands-on financial literacy course or the Junior Achievement Finance Park. To the extent repealing the current authorization for an eighth grade hands-on course results in reduced spending, those savings partially offset the increased costs for the high school course.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** Although HB 937 (Prince George's County Delegation - Ways and Means) is identified as a cross file, it is not identical.

**Information Source(s):** Maryland State Department of Education, Prince George's County, Department of Legislative Services

**Fiscal Note History:** First Reader - March 9, 2015  
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