Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 237	(Senator Robinson, *et al.*)
Finance	Economic Matters

Adult Correctional Institutions – Financial Literacy and Entrepreneurship Pilot Program

This bill requires the Correctional Education Council (CEC), in collaboration with the Division of Workforce Development and Adult Learning (DWDAL) and the Director of Education and Workforce Skills Training for Correctional Institutions in the Department of Labor, Licensing, and Regulation (DLLR), to develop and implement by July 1, 2019, subject to available funds, a financial literacy and entrepreneurship pilot program with curriculum to be offered as part of the transition training provided to an inmate who has 12 months or less remaining to be served before being released. The bill specifies content that must be included in the curriculum. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: The bill's requirements can be absorbed within existing budgeted resources. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The pilot program must be offered at a correctional institution determined by the Secretary of Public Safety and Correctional Services. The pilot program may be offered to enhance the mandatory education program provided by the Director of Education and Workforce Skills Training for Correctional Institutions, including providing guest lecturers, or as separate classes coordinated with the mandatory education program's

schedule. CEC may coordinate with other entities that offer to provide resources for the pilot program at no cost to the State.

Current Law/Background: CEC is under the joint jurisdiction of DLLR and the Department of Public Safety and Correctional Services. The council must develop and recommend an educational and workforce training program for adult correctional institutions in the State. The council must also adopt regulations for a mandatory education program for inmates who fail to attain specified minimum educational standards as well as regulations for a mandatory workforce skills training program. Further, the council must advocate and promote the interests of educational programs and workforce skills training opportunities in correctional institutions and regularly review these programs to ensure that educational and training needs of inmates are being met.

An inmate is mandated to take education classes if the inmate does not have a GED or high school diploma, has at least 18 months remaining on the inmate's sentence, and is not exempt due to a medical, developmental, or learning disability. After earning the high school diploma, inmates are eligible for occupational programs or advanced education at a local partnering college. DLLR indicates that studies show that offenders who participate in correctional education programs are less likely to reoffend following release from a correctional facility. According to CEC's 2017 annual report, the 19,300 inmates in Maryland correctional institutions read, on average, at between the fifth and eighth grade reading levels, and fewer than half do not have a high school diploma when they enter. On average, 3,000 inmates are served each day by correctional educational programs, with about 12,000 receiving services each year. In fiscal 2017, the Correctional Education Program awarded 493 students a high school diploma, and 860 students received occupational certificates preparing them for employment upon their release.

Financial Literacy Education

In response to the nationwide financial crisis during the late 2000s and the distress that it caused millions of American families, Chapter 186 of 2008 created the Task Force to Study How to Improve Financial Literacy in the State; the task force was required to study the ability of high school students to understand basic financial concepts, assess the utility of financial literacy education as part of primary and secondary education, study the ability of consumers older than 21 who have achieved a high school diploma to understand basic financial concepts, study the problems created for the average consumer by a lack of financial literacy or knowledge, and make recommendations regarding how to address these problems.

The task force recommended that DWDAL incorporate the State curriculum into the relevant adult education standards, where possible, to maintain consistency and vertical alignment among the K-12, adult, and correctional services populations. In addition, the

task force recommended that DLLR seek funding for resources and teacher training, as appropriate, to implement these programs.

In June 2010, Maryland State Department of Education adopted regulations to require each local school system to implement personal financial literacy programs in elementary, middle, and high schools. By September 1, 2011, and every five years after that, local superintendents have been required to certify to the State Superintendent that the instructional program in the elementary, middle, and high school learning years meets, at a minimum, the financial literacy content standards described in State regulations.

State Expenditures: DLLR advises that of the nine core areas that the curriculum of the pilot program must cover, DLLR covers five of these topics in its employment readiness workshops and life skills classes, which have a financial literacy component. To the extent that more resources become available, DLLR will review and strengthen the curriculum and offer the pilot program at a correctional institution.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Public Safety and Correctional Services; Department of Legislative Services

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Analysis by: Heather N. Ruby   Direct Inquiries to:
                                                               (410) 946-5510
                                                               (301) 970-5510