

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 195

(Prince George's County Delegation)

Ways and Means

Education, Health, and Environmental Affairs

Prince George's County Board of Education – Financial Literacy Pilot Program
Course PG 504–19

This bill requires, beginning in the 2020-2021 school year, the Prince George's County Board of Education to develop and implement a three-year pilot program that includes a semester-long elective high school course in financial literacy. The Prince George's County Board of Education must develop curriculum content for the course and select at least one high school in the county to participate in the pilot program. By June 30 each year, the board must submit a report on the success of the pilot program. **The bill takes effect July 1, 2020, and terminates June 30, 2023.**

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 may increase to develop the financial literacy curriculum, train existing teachers, and purchase financial literacy textbooks. Any fiscal impact terminates in FY 2024. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law/Background: 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.

According to State 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.

Chapter 664 of 2013 authorized Prince George's County Board of Education to develop curriculum content for a hands-on course in financial literacy to be offered to all eighth grade public school students in the county. The financial literacy curriculum content may be implemented in every middle school in the county.

The current credit requirements required to earn a public high school diploma are shown in the **Appendix – State Public High School Diploma Credit Requirements**. Local school systems may establish graduation requirements beyond the minimum requirements established by the board. Effective with the Class of 2019 (entering freshmen of fall 2015), PGCPS students must be enrolled in a minimum of four PGCPS or dual-enrollment courses after grade 11. For the graduating Class of 2018 through 2020 PGCPS students choosing the language option must complete two credits in the same language.

Maryland's Personal Financial Literacy Standards

Chapter 186 of 2008 established the Task Force to Study How to Improve Financial Literacy, which began the movement toward developing financial literacy standards for public schools in the State. The curriculum consists of the standards, objectives, and indicators to be used to develop local curricula. The curriculum is organized in grade bands of 3 to 5, 6 to 8, and 9 to 12 in order to ensure that financial literacy education is provided in a continuum throughout elementary, middle, and high school.

In June 2010, the Maryland State Department of Education (MSDE) adopted financial literacy content standards in regulation and required 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 must 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 the regulations. MSDE advises that financial literacy concepts are also embedded in the economics strand of the social studies content standards.

Although financial literacy is now a required content area, MSDE reports that there are currently no financial literacy content specialists at MSDE and no State monetary resources

available to implement the current financial literacy content standards, to provide professional development, or to develop curriculum content in these areas.

Online Financial Literacy Course Created by MSDE

MSDE advises it expended \$250,000 from its federal Race to the Top grant to develop a one-credit, online financial literacy course. The course is available to all students and school systems through Maryland Virtual Learning Opportunities, which MSDE uses to provide online learning to students, schools, and school systems. MSDE advises that the online course includes discussion forums, written assignments, presentations, and portfolio items and features a pre- and post-assessment.

Current High School Courses in Financial Literacy

Ten counties currently offer a stand-alone course in financial literacy. Of those, seven counties – Allegany, Calvert, Caroline, Carroll, Charles, Frederick, and Garrett – require high school students to complete the course (either one-half or semester long) in order to graduate. In Frederick County students may choose from among 13 different courses that include financial literacy content to meet the requirement. In Queen Anne’s and St. Mary’s counties, high school students may take a stand-alone financial literacy course or the required course with integrated financial literacy content. In the other 15 systems, financial literacy content is integrated into one of the courses required for graduation. Additional information about financial literacy courses taken by Maryland students can be found in [MSDE’s 6th annual Personal Financial Literacy Education Report](#).

Prince George’s County Public Schools

Pursuant to State regulations, PGCPSS has financial literacy embedded in elementary, middle, and high school 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. Students engage in lessons from [Take Charge Today](#), which incorporate a variety of assessments. EverFi’s pre- and post-assessments are used to assess financial literacy knowledge and skills. PGCPSS also offers dedicated electives such as Financial Literacy Algebra in mathematics, Economics in social studies, and Financial Literacy for Teens in family and consumer science. In addition, Students in Financial Algebra spend a day at [Junior Achievement Finance Park](#), which enables them to demonstrate their financial knowledge based on the hands-on activities.

Local Expenditures: PGCPSS expenditures may increase minimally to develop the financial literacy curriculum, train at least one existing teacher for the pilot program, and purchase financial literacy textbooks and materials required for a stand-alone semester-long elective course in financial literacy. It is unknown what it will cost to

develop and implement a financial literacy course that meets the requirements of the bill and during the timeframe required by the bill.

For illustrative purposes only, at a minimum, costs are likely to increase by approximately \$2,000 to purchase textbooks and materials needed for the required stand-alone elective financial literacy course for 25 students (one class) at one high school. If an entire grade at a high school decided to take the course then textbook and material costs could increase by approximately \$10,000. It is assumed that at least one existing teacher is trained rather than temporarily hiring new teachers for the three-year pilot program. However, an exact cost cannot be determined without further information on the training required.

Additional Information

Prior Introductions: HB 921 of 2018 and HB 476 of 2016 each received a hearing in the House Ways and Means Committee, but no further action was taken. In addition, similar bills were introduced in the 2011 through 2015 sessions.

Cross File: None.

Information Source(s): Maryland Department of Education; Prince George's County Public Schools; Department of Legislative Services

Fiscal Note History: First Reader - February 5, 2019
mag/rhh Third Reader - March 18, 2019
Revised - Amendment(s) - March 18, 2019

Analysis by: Caroline L. Boice

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

Appendix – State Public High School Diploma Credit Requirements

According to State regulations, to be awarded a high school diploma, a student must be enrolled in a Maryland public school system and have earned a minimum of 21 credits in specified subjects as detailed in **Exhibit 1**.

Exhibit 1 Distribution of Credits Required to Graduate High School

<u>Subject</u>	<u>Credits</u>
English	4.0
Fine Arts	1.0
Mathematics ¹	3.0
Physical Education	0.5
Health Education	0.5
Science	3.0
Social Studies	3.0
Technology Education	1.0
World Language <i>or</i> American Sign Language <i>or</i> Advanced Technology Education ²	2.0
Electives ²	3.0

Note: The credits must meet other requirements specified in the Code of Maryland Regulations. Elective programs and instruction must be developed at the discretion of the local school system, be open to enrollment for all students, and focus on in-depth study in required subject areas, exploration, or application and integration of what has been learned. In addition, all students must complete a locally designed high school program of environmental literacy approved by the State Superintendent of Schools.

¹However, beginning with students entering grade 9 in the 2014-2015 school year, each student must enroll in a mathematics course in each year of high school that the student attends, up to a maximum of four years of attendance, unless in the fifth or sixth year a mathematics course is needed to meet a graduation requirement.

²Alternatively, a student may successfully complete a State-approved career and technology program for four credits and one credit in an elective.

Source: Code of Maryland Regulations; Department of Legislative Services
