



POSITION STATEMENT

TESTIMONY PRESENTED TO THE HOUSE WAYS AND MEANS COMMITTEE

**HOUSE BILL 630– PUBLIC HIGH SCHOOLS - FINANCIAL LITERACY
PILOT PROGRAM – ESTABLISHMENT**

Sponsor – Delegate Brooks, et al

February 17, 2022

DONALD C. FRY

PRESIDENT & CEO

GREATER BALTIMORE COMMITTEE

Position: Support

House Bill 630 would require the Maryland State Board of Education to establish a financial literacy pilot program for public school students in grades 11 and 12. The content would include lessons on budgeting, saving, investing, debt, amortization, and simple and compound interest. Public schools could implement the content beginning in the 2023-2024 school year, and the State Board would be required to report on the status and results of the pilot program by January 1, 2027.

In 2012, the Financial Education and Capability Commission was formed in Maryland to monitor the implementation of public and private initiatives to improve the financial education and capability of Marylanders and make recommendations on the coordination of financial education and capability efforts across state agencies. The creation of this commission highlighted the importance of improving financial literacy and the need for increased opportunities to gain financial literacy. House Bill 630 creates such an initiative for high school students. The instruction in this bill will provide high school students with the skills necessary to manage their resources effectively for a lifetime of financial well-being.

Financial literacy is an important issue that requires attention and response. Policymakers have for years called for greater financial literacy for K-12 public school students and increased opportunities for adult financial education. The issue of improved financial literacy is especially important for the many Maryland households that continue to use subprime credit, carry a high debt balance, or have zero or negative net worth. It is particularly important for high school students to appreciate the dynamics of loans/debt as they may be incurring higher education obligations. Providing high school students with the knowledge and skills to understand their finances will undoubtedly prove valuable and create a baseline for financial literacy for the next generation of Marylanders.

For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 630.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 67-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

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