

# JOTF JOB OPPORTUNITIES TASK FORCE

*Advocating better skills, jobs, and incomes*

**TESTIMONY IN SUPPORT OF SENATE BILL 0238:  
Public High Schools – Financial Literacy – Curriculum, Graduation Requirement, and  
Professional Development**

TO: Chair Brian Feldman and Members of the Senate Education, Energy, and the Environment Committee

FROM: Ioana Stoica, Policy Advocate

DATE: Tuesday, February 7, 2023

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-wage workers and job seekers in Maryland. **JOTF strongly supports Senate Bill 0238 as a means of educating students in financial literacy in order to empower them to make informed financial decisions, and as a means of increasing economic and racial equity.**

According to the Annie E. Casey Foundation, over 67% of US adults would fail a basic financial literacy test. The lack of access to financial education and resources has also been shown to contribute to the increasing wage gap between the top and the lowest earners, and to persistent racial wealth inequity. For example, in 2020, a Next Gen Personal Finance report found that 17% of all students were required to enroll in a financial literacy course as part of their graduation requirement, but only 3.9% students in low-income households were required to do so. Studies show that similarly, non-white students lack equal access to financial literacy education, and thus score lower on financial literacy measures.

Financial literacy is critical in helping individuals gain financial independence, saving for emergencies, managing retirement, running a business, filing taxes, and more. Studies show that:

- Financial literacy improves the chances that individuals will use predatory financial services such as payday loans
- Individuals who have financial knowledge are less likely to pay high banking and related fees
- Financial literacy can help graduating high school seniors minimize student debt and apply for scholarships
- Early financial education improves workforce readiness and trains students in critical skills that are transferable to multiple fields of employment
- Financial education and access to financial services lessens the racial wealth and wage gaps

**For these reasons, we urge a favorable report on Senate Bill 0238.**

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