

---

By: **Delegates Moe and Busch**

Introduced and read first time: February 21, 2005

Assigned to: Rules and Executive Nominations

---

HOUSE JOINT RESOLUTION

1 A House Joint Resolution concerning

2 **Financial Literacy Education for Students in Maryland Public Schools**

3 FOR the purpose of urging county boards of education to integrate the principles of  
4 basic personal finance into the curriculum and instruction established for their  
5 local school system; urging county boards of education to implement certain  
6 standards as part of a student's eligibility to graduate from a public high school  
7 and receive a high school diploma; and generally relating to financial literacy  
8 education for students in Maryland public schools.

9 WHEREAS, Basic personal financial management, including the principles of  
10 saving, spending, credit, investment, taxes, and insurance is an essential life skill  
11 necessary to the well-being of all Marylanders; and

12 WHEREAS, An October 2002 white paper by the United States Department of  
13 the Treasury's Office of Financial Education states that the average American was  
14 able to answer correctly only 42% of the questions on a personal finance quiz, that 4  
15 out of 10 Americans admitted that they are living beyond their means because of their  
16 misuse and misunderstanding of credit, and that personal bankruptcy filings more  
17 than doubled between 1990 and 2000; and

18 WHEREAS, The 2002 third biennial survey of financial literacy by the  
19 JumpStart Coalition for Personal Financial Literacy found 68.1% of high school  
20 seniors with failing scores, representing a significant increase from the 59.1% with  
21 failing scores in 2000, and the 44.2% with failing scores in 1998; and

22 WHEREAS, According to the Department of the Treasury's white paper, it is  
23 estimated that America's youth spend approximately \$150 billion annually, and the  
24 survey of financial literacy found that almost one-third of high school seniors already  
25 use a credit card and an even higher percentage carry automatic teller machine  
26 (ATM) cards; and

27 WHEREAS, Like other complex social phenomenon confronting today's youth,  
28 personal finance presents more difficult choices and pitfalls than experienced by  
29 previous generations, yet, by-and-large, public school education in this critical life  
30 skill has not been enhanced to meet this challenge; and

1 WHEREAS, The Maryland Voluntary State Curricula in social studies for  
2 grades pre-K thru 8 includes key principles of economics, including: (1)  
3 understanding costs, benefits, and consequences of personal spending; (2) explaining  
4 how spending and saving choices affect the standard of living; and (3) analyzing how  
5 personal choices, education, and technology affect individuals' standard of living and  
6 the economy; and

7 WHEREAS, At the high school level, the curricula also includes: (1) assessing  
8 how scarcity influences budgeting, saving, investing, and credit; (2) analyzing the  
9 interdependence of saving, borrowing, and investment decisions of consumers and  
10 producers; (3) comparing short- and long-term saving and investment strategies; (4)  
11 investigating how payment performance determines credit history and why credit  
12 records are maintained; (5) identifying and evaluating the risk, return, and liquidity  
13 of various saving and investment decisions; and (6) analyzing examples of personal  
14 financial decisions in terms of opportunity costs and economic risks; and

15 WHEREAS, Financial education courses and curricula have been developed by  
16 various educational foundations and organizations that have been vetted by the  
17 Maryland Coalition for Financial Literacy (a division of the Maryland Council on  
18 Economic Education) which include instructor's manuals, student workbooks,  
19 internet based modules, and supplemental materials, as well as support for teacher  
20 training, much of which is available to local school systems at no charge; and

21 WHEREAS, Experience has shown that students will respond to well-executed  
22 life skills programs that have direct practical application to their daily lives; and

23 WHEREAS, The personal financial responsibility and well-being of the  
24 emerging generation will be essential to the overall health and well-being of  
25 Maryland's economic and social condition; now, therefore, be it

26 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That county  
27 boards of education be strongly urged to integrate the principles of basic personal  
28 finance into the curriculum and instruction standards established for their local  
29 school system; and be it further

30 RESOLVED, That a copy of this Resolution be forwarded by the Department of  
31 Legislative Services to the Honorable Robert L. Ehrlich, Jr., Governor of Maryland;  
32 the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; the  
33 Honorable Michael E. Busch, Speaker of the House of Delegates; and the county  
34 board of education in each of the 23 counties and Baltimore City in the State.