

SENATE BILL 533

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CF HB 1242

By: **Senators Muse, Frosh, Garagiola, Jones, McFadden, Peters, Pugh, ~~and Raskin~~ Raskin, Conway, Harrington, Klausmeier, Lenett, and Rosapepe**

Introduced and read first time: February 1, 2008

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 5, 2008

Returned to second reading: March 7, 2008

Senate action: Adopted with floor amendments

Read second time: March 13, 2008

CHAPTER _____

1 AN ACT concerning

2 **Task Force to Study How to Improve Financial Literacy in the State**

3 FOR the purpose of creating a Task Force to Study How to Improve Financial Literacy
4 in the State; providing for the composition, co-chairs, and staffing of the Task
5 Force; providing that a member of the Task Force may not receive compensation
6 but may be reimbursed for certain expenses; requiring the Task Force to study
7 the ability of certain consumers to understand certain financial concepts and
8 the problems created for certain consumers by a lack of financial literacy or
9 knowledge; requiring the Task Force to make certain recommendations;
10 requiring the Task Force to report certain findings and recommendations to the
11 Governor and to the General Assembly; providing for the termination of this
12 Act; and generally relating to the Task Force to Study How to Improve
13 Financial Literacy in the State.

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That:

16 (a) There is a Task Force to Study How to Improve Financial Literacy in the
17 State.

18 (b) The Task Force consists of the following members:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (1) ~~three~~ two members of the Senate of Maryland, appointed by the
2 President of the Senate;

3 (2) ~~three~~ two members of the House of Delegates, appointed by the
4 Speaker of the House;

5 (3) the State Superintendent of Schools, or the Superintendent's
6 designee;

7 (4) the Secretary of Housing and Community Development, or the
8 Secretary's designee;

9 (5) the Chief of the Consumer Protection Division of the Office of the
10 Attorney General, or the Chief's designee;

11 (6) the Commissioner of Financial Regulation in the Department of
12 Labor, Licensing, and Regulation, or the Commissioner's designee;

13 ~~(4)~~ ~~(6)~~ (7) the following members, appointed jointly by the President of the
14 Senate and the Speaker of the House:

15 (i) ~~one representative~~ two representatives of the Maryland
16 State Teachers Association, one of whom teaches a course involving principles of
17 financial literacy;

18 (ii) one representative of the American Federation of Teachers;

19 ~~(ii)~~ (iii) one representative from the consumer credit counseling
20 industry; and

21 ~~(iii)~~ (iv) two representatives from a community development
22 corporation or a community-focused nonprofit organization; and

23 ~~(5)~~ ~~(7)~~ (8) the following members, appointed by the Governor:

24 (i) one representative of the Maryland State Board of
25 Education;

26 (ii) one representative of the Maryland Council on Economic
27 Education;

28 (iii) one representative of a State-chartered community bank;

29 (iv) one representative of a State-chartered credit union;

30 (v) one representative of a federal-chartered bank or savings
31 bank that has a branch in Maryland;

1 (vi) one representative of a federal-chartered credit union
2 headquartered in Maryland; and

3 (vii) one licensed mortgage broker holding the Maryland
4 Association of Mortgage Brokers' "Lending Seal of Integrity".

5 (c) (1) The President of the Senate shall designate one of the members
6 appointed from the Senate as co-chair of the Task Force.

7 (2) The Speaker of the House shall designate one of the members
8 appointed from the House as co-chair of the Task Force.

9 (d) The Department of Legislative Services shall provide staff for the Task
10 Force.

11 (e) A member of the Task Force:

12 (1) may not receive compensation as a member of the Task Force; but

13 (2) is entitled to reimbursement for expenses under the Standard
14 State Travel Regulations, as provided in the State budget.

15 (f) The Task Force shall:

16 (1) study the current ability of high school students to understand
17 basic financial concepts;

18 (2) evaluate the current provision of financial literacy education in
19 Maryland's public schools;

20 (3) assess the utility of financial literacy education as part of primary
21 and secondary education;

22 ~~(4)~~ (4) study the current ability of consumers over the age of 21 who have
23 achieved a high school diploma to understand basic financial concepts;

24 ~~(5)~~ (5) study the problems created for the average consumer by a lack of
25 financial literacy or knowledge, including an inability to:

26 (i) determine how to set financial goals;

27 (ii) establish basic household budgets;

28 (iii) locate the best-priced financial services products relative to
29 current economic situations;

30 (iv) understand how credit can improve or impede progress
31 toward financial goals; and

1 (v) evaluate offers for products; and

2 ~~(9)~~ (6) make recommendations regarding:

3 (i) how to address the problems identified under paragraph (2);
4 and

5 (ii) the ~~utility~~ benefits and drawbacks of requiring financial
6 literacy education as part of primary and secondary education.

7 (g) On or before December 1, 2008, the Task Force shall report to the
8 Governor and, in accordance with § 2-1246 of the State Government Article, the
9 General Assembly regarding its findings and recommendations.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 July 1, 2008. It shall remain effective for a period of 1 year and, at the end of June 30,
12 2009, with no further action required by the General Assembly, this Act shall be
13 abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.