

CHAPTER 186

(Senate Bill 533)

AN ACT concerning

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

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

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

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

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

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

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

(3) the State Superintendent of Schools, or the Superintendent’s designee;

(4) the Secretary of Housing and Community Development, or the Secretary’s designee;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) A member of the Task Force:

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

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

(f) The Task Force shall:

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

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

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

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

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

(i) determine how to set financial goals;

(ii) establish basic household budgets;

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

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

(v) evaluate offers for products; and

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

(i) how to address the problems identified under ~~paragraph (2) item (5) of this subsection;~~ and

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

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

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

Approved by the Governor, April 24, 2008.