

# SENATE BILL 140

I1, F1

9lr0912  
CF 9lr0915

---

By: **Senators Muse and Klausmeier**

Introduced and read first time: January 19, 2009

Assigned to: Education, Health, and Environmental Affairs

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Task Force to Study How to Improve Financial Literacy in the State**  
3 **- Membership, Staffing, and Extension**

4 FOR the purpose of extending the reporting and termination provisions relating to the  
5 Task Force to Study How to Improve Financial Literacy in the State; altering  
6 the composition and staffing of the Task Force; making certain stylistic changes;  
7 and generally relating to the Task Force to Study How to Improve Financial  
8 Literacy in the State.

9 BY repealing and reenacting, with amendments,  
10 Chapter 186 of the Acts of the General Assembly of 2008  
11 Section 1 and 2

12 BY repealing and reenacting, with amendments,  
13 Chapter 187 of the Acts of the General Assembly of 2008  
14 Section 1 and 2

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Chapter 186 of the Acts of 2008**

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

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

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

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 (2) two members of the House of Delegates, appointed by the Speaker  
4 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 **(7) THE STATE TREASURER, OR THE TREASURER'S DESIGNEE;**

14 **(8) THE SECRETARY OF LABOR, LICENSING, AND REGULATION,**  
15 **OR THE SECRETARY'S DESIGNEE;**

16 [(7)] **(9)** the following members, appointed jointly by the President of  
17 the Senate and the Speaker of the House:

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

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

21 (iii) one representative from the consumer credit counseling  
22 industry; and

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

25 [(8)] **(10)** the following members, appointed by the Governor:

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

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

30 **(III) ONE REPRESENTATIVE OF THE MARYLAND COALITION**  
31 **FOR FINANCIAL LITERACY;**

1                    [(iii)] (IV) one representative of a State-chartered community  
2 bank;

3                    [(iv)] (V) one representative of a State-chartered credit union;

4                    [(v)] (VI) one representative of a federal-chartered bank or  
5 savings bank that has a branch in Maryland;

6                    [(vi)] (VII) one representative of a federal-chartered credit union  
7 headquartered in Maryland; and

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

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

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

14            (d)    The Department of Legislative Services **AND THE DEPARTMENT OF**  
15 **LABOR, LICENSING, AND REGULATION** shall **JOINTLY** provide staff for the Task  
16 Force.

17            (e)    A member of the Task Force:

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

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

21            (f)    The Task Force shall:

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

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

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

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

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

3 (i) determine how to set financial goals;

4 (ii) establish basic household budgets;

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

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

9 (v) evaluate offers for products; and

10 (6) make recommendations regarding:

11 (i) how to address the problems identified under item (5) of this  
12 subsection; and

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

15 (g) On or before December 1, [2008] **2009**, the Task Force shall report to the  
16 Governor and, in accordance with § 2-1246 of the State Government Article, the  
17 General Assembly regarding its findings and recommendations.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 July 1, 2008. It shall remain effective for a period of [1 year] **2 YEARS** and, at the end  
20 of June 30, [2009] **2010**, with no further action required by the General Assembly,  
21 this Act shall be abrogated and of no further force and effect.

## 22 Chapter 187 of the Acts of 2008

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

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

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

28 (1) two members of the Senate of Maryland, appointed by the  
29 President of the Senate;

30 (2) two members of the House of Delegates, appointed by the Speaker  
31 of the House;

1 (3) the State Superintendent of Schools, or the Superintendent's  
2 designee;

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

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

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

9 **(7) THE STATE TREASURER, OR THE TREASURER'S DESIGNEE;**

10 **(8) THE SECRETARY OF LABOR, LICENSING, AND REGULATION,**  
11 **OR THE SECRETARY'S DESIGNEE;**

12 [(7)] **(9)** the following members, appointed jointly by the President of  
13 the Senate and the Speaker of the House:

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

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

17 (iii) one representative from the consumer credit counseling  
18 industry; and

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

21 [(8)] **(10)** the following members, appointed by the Governor:

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

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

26 **(III) ONE REPRESENTATIVE OF THE MARYLAND COALITION**  
27 **FOR FINANCIAL LITERACY;**

28 [(iii)] **(IV)** one representative of a State-chartered community  
29 bank;

30 [(iv)] **(V)** one representative of a State-chartered credit union;

1                    [(v)] (VI) one representative of a federal-chartered bank or  
2 savings bank that has a branch in Maryland;

3                    [(vi)] (VII) one representative of a federal-chartered credit union  
4 headquartered in Maryland; and

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

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

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

11            (d)    The Department of Legislative Services **AND THE DEPARTMENT OF**  
12 **LABOR, LICENSING, AND REGULATION** shall **JOINTLY** provide staff for the Task  
13 Force.

14            (e)    A member of the Task Force:

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

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

18            (f)    The Task Force shall:

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

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

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

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

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

29                            (i)    determine how to set financial goals;

30                            (ii)   establish basic household budgets;

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

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

5 (v) evaluate offers for products; and

6 (6) make recommendations regarding:

7 (i) how to address the problems identified under item (5) of this  
8 subsection; and

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

11 (g) On or before December 1, [2008] **2009**, the Task Force shall report to the  
12 Governor and, in accordance with § 2-1246 of the State Government Article, the  
13 General Assembly regarding its findings and recommendations.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 July 1, 2008. It shall remain effective for a period of [1 year] **2 YEARS** and, at the end  
16 of June 30, [2009] **2010**, with no further action required by the General Assembly,  
17 this Act shall be abrogated and of no further force and effect.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 June 1, 2009.