

# SENATE BILL 140

Il, F1

9lr0912  
CF HB 120

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By: **Senators Muse and Klausmeier**

Introduced and read first time: January 19, 2009

Assigned to: Education, Health, and Environmental Affairs

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 20, 2009

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## CHAPTER \_\_\_\_\_

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

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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 State.

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

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

5 (2) two members of the House of Delegates, appointed by the Speaker  
6 of the House;

7 (3) the State Superintendent of Schools, or the Superintendent's  
8 designee;

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

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

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

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

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

18 **[(7)] (9)** the following members, appointed jointly by the President of  
19 the Senate and the Speaker of the House:

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

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

23 (iii) one representative from the consumer credit counseling  
24 industry; and

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

27 **[(8)] (10)** the following members, appointed by the Governor:

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

1                                    **(II) ONE REPRESENTATIVE FROM THE MARYLAND PARENTS**  
 2 **AND TEACHERS ASSOCIATION (PTA);**

3                                    ~~(ii)~~ **(III)**     one representative of the Maryland Council on  
 4 Economic Education;

5                                    ~~(iii)~~ **(IV) ONE REPRESENTATIVE OF THE MARYLAND**  
 6 **COALITION FOR FINANCIAL LITERACY;**

7                                    **(V) ONE REPRESENTATIVE FROM A NONPROFIT CREDIT**  
 8 **COUNSELING SERVICE;**

9                                    [(iii)] ~~(iv)~~ **(VI)**     one representative of a State-chartered  
 10 community bank;

11                                    [(iv)] ~~(v)~~ **(VII)**     one representative of a State-chartered credit  
 12 union;

13                                    [(v)] ~~(vi)~~ **(VIII)**     one representative of a federal-chartered bank  
 14 or savings bank that has a branch in Maryland;

15                                    [(vi)] ~~(vii)~~ **(IX)**     one representative of a federal-chartered credit  
 16 union headquartered in Maryland; and

17                                    [(vii)] ~~(viii)~~ **(X)**     one licensed mortgage broker holding the  
 18 Maryland Association of Mortgage Brokers' "Lending Seal of Integrity".

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

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

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

26                    (e)     A member of the Task Force:

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

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

30                    (f)     The Task Force shall:

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

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

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

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

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

11 (i) determine how to set financial goals;

12 (ii) establish basic household budgets;

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

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

17 (v) evaluate offers for products; and

18 (6) make recommendations regarding:

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

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

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

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

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

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

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

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

8 (2) two members of the House of Delegates, appointed by the Speaker  
9 of the House;

10 (3) the State Superintendent of Schools, or the Superintendent's  
11 designee;

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

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

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

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

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

21 ~~[(7)]~~ **(9)** the following members, appointed jointly by the President of  
22 the Senate and the Speaker of the House:

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24 Association, one of whom teaches a course involving principles of financial literacy;

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27 industry; and

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

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2 Education;

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4 **AND TEACHERS ASSOCIATION (PTA);**

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7 ~~(iii)~~ **(IV) ONE REPRESENTATIVE OF THE MARYLAND**  
8 **COALITION FOR FINANCIAL LITERACY;**

9 **(V) ONE REPRESENTATIVE FROM A NONPROFIT CREDIT**  
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14 union;

15 [(v)] ~~(vi)~~ **(VIII)** one representative of a federal-chartered bank  
16 or savings bank that has a branch in Maryland;

17 [(vi)] ~~(vii)~~ **(IX)** one representative of a federal-chartered credit  
18 union headquartered in Maryland; and

19 [(vii)] ~~(viii)~~ **(X)** one licensed mortgage broker holding the  
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21 (c) (1) The President of the Senate shall designate one of the members  
22 appointed from the Senate as co-chair of the Task Force.

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

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

28 (e) A member of the Task Force:

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30 (2) is entitled to reimbursement for expenses under the Standard  
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11 financial literacy or knowledge, including an inability to:

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17 toward financial goals; and

18 (v) evaluate offers for products; and

19 (6) make recommendations regarding:

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

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23 education as part of primary and secondary education.

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

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

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.