

Department of Legislative Services  
Maryland General Assembly  
2025 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 326  
Ways and Means

(Delegate Forbes)

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Student Service Hours - Financial Literacy Course

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This bill requires each local board of education, beginning with the 2026-2027 school year, to allow completion of a financial literacy course that meets specified criteria to be applied toward fulfillment of student service hours required for high school graduation. The number of hours that completion of the course counts toward student service hours is determined by the local board of education. The State Board of Education (SBE) must adopt regulations to implement the bill. **The bill takes effect July 1, 2025.**

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Fiscal Summary

**State Effect:** SBE can adopt regulations using existing resources. University System of Maryland institutions, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College revenues and expenditures are not likely materially affected.

**Local Effect:** Local school systems can *allow* a student to earn student service hours by completing an eligible financial literacy course using existing resources; however, if a local school system creates a new course or expands a current course to new students, expenditures may increase. Local boards of education can determine the number of student service hours that may be earned using existing resources. Local community college revenues and expenditures are not likely not materially affected.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** To count toward fulfillment of the student service graduation requirement, an eligible financial literacy course must be:

- offered at an institution of higher education;
- offered by an organization approved by the local board of education; and
- approved by the local board of education.

### **Current Law:**

#### *Institution of Higher Education*

“Institution of higher education” is defined as an institution of postsecondary education that generally limits enrollment to graduates of secondary schools and awards degrees at either the associate, baccalaureate, or graduate level. It includes public, private nonprofit, and for-profit institutions.

#### *Student Service Graduation Requirement*

According to regulations, to graduate, a student must complete one of the following: (1) 75 hours of student service that includes preparation, action, and reflection components and that, at the discretion of the local school system, may begin during the middle grades or (2) a locally designated program in student service that has been approved by the State Superintendent of Schools.

#### *Maryland Student Service-Learning Guidelines*

According to the [Maryland Student Service-Learning Guidelines](#), all service-learning experiences should encompass all of the seven following best practices:

- meet a recognized need in the community;
- achieve curricular objectives through service-learning;
- reflect throughout the service-learning experience;
- develop student responsibility;
- establish community partnerships;
- plan ahead for service-learning; and
- equip students with knowledge and skills needed for service.

**Additional Comments:** Nonpublic institutions of higher education revenues and expenditures are likely not materially affected. Like public institutions of higher education, enrollment in nonpublic institutions likely is not materially affected by the bill.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has been introduced within the past three years. See SB 638 of 2024.

**Designated Cross File:** None.

**Information Source(s):** Maryland State Department of Education; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Baltimore City Public Schools; Montgomery County Public Schools; Prince George's County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

**Fiscal Note History:** First Reader - January 26, 2025  
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