

Department of Legislative Services  
 Maryland General Assembly  
 2026 Session

FISCAL AND POLICY NOTE  
 First Reader

House Bill 943 (Delegate Forbes)  
 Ways and Means

State Board of Education - Financial Literacy - Graduation Requirement

This bill requires the State Board of Education (SBE) to establish a high school graduation requirement that students complete a standalone course in financial literacy aligned with the State curriculum for personal financial literacy standards grades 3-12 standards. The course must be at least one semester in length, taught in grade 11 or 12, and may not be embedded in other coursework. Each local board of education may determine the curriculum, instructional materials, and departmental placement of the course. Beginning with the graduating class of 2030, each high school student must successfully complete a personal financial literacy course that meets the requirements of the bill. Upon successful completion, a local board must (1) award the student at least one-half credit toward the requirements for a high school diploma and (2) allow the student to fulfill any remaining one-half credit requirement through an existing course, as specified. **The bill takes effect July 1, 2026.**

Fiscal Summary

**State Effect:** General fund expenditures increase by \$99,700 in FY 2027 for staff to create and maintain a State curriculum for personal financial literacy as discussed below; future years reflect annualization and ongoing expenses. Revenues are not affected.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	99,700	118,200	123,600	129,200	134,800
Net Effect	(\$99,700)	(\$118,200)	(\$123,600)	(\$129,200)	(\$134,800)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** Local school system expenditures may increase for systems that do not currently offer a qualifying standalone financial literacy course to develop curriculum, provide professional development, and, beginning in FY 2029, offer the required course.

Costs will vary by system and are expected to be lower for those that already require a qualifying course. Revenues are not affected. **This bill may impose a mandate on a unit of local government.**

**Small Business Effect:** Minimal.

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## **Analysis**

**Bill Summary:** The bill specifies that the remaining one-half credit may be satisfied through an existing course in business, career and technical education, electives, family and consumer sciences, mathematics, or social studies. Nothing in the bill may be construed to (1) restrict a local board to use a specific curriculum, vendor, publisher, or instructional materials for the course or (2) require the course to be taught exclusively within a specific department or subject area.

**Current Law:** With the advice of the State Superintendent of Schools, SBE establishes basic policy and guidelines for the program of instruction for public schools. Subject to State law and the regulations, bylaws, policies, and guidelines established by SBE, each local board of education must establish the curriculum guides and courses of study for schools in its jurisdiction. Policies, rules, and regulations for the graduation of students from Maryland public schools are established by local boards of education and SBE.

According to State regulations, each local school system must provide personal financial literacy programs in elementary, middle, and high schools that at least meet the content standards in the regulations. Beginning September 1, 2011, and every five years after that, local superintendents must certify to the State Superintendent that the instructional program in the elementary, middle, and high school learning years meets, at a minimum, the financial literacy content standards described in the regulations. At the high school level, financial literacy is embedded in courses required for graduation or offered as a stand-alone graduation requirement.

### *Financial Literacy Regulations*

Regulations, require that each local school system provide a comprehensive instructional program in personal financial literacy throughout the elementary, middle, and high school learning years. This curriculum must be designed to address the diverse needs of students and include specific content standards, such as making informed financial decisions, relating career and education choices to income, planning and managing money, managing credit and debt, creating wealth, and managing financial risks. Local school systems are required to provide curriculum documents aligned with the State curriculum and ensure that every student has the opportunity to participate in a financial literacy program. Furthermore, local superintendents must certify to the State Superintendent of Schools

every five years that their instructional program complies with these minimum requirements. Additional information about financial literacy courses taken by Maryland students can be found in MSDE’s [Personal Financial Literacy Education 2024-2025 Report](#).

**State Expenditures:** The bill requires SBE to establish a one-semester high school graduation requirement in financial literacy that aligns with the *State curriculum* for personal financial literacy education grades 3-12 standards. Although Maryland maintains adopted State standards for personal financial literacy education, MSDE advises that the State does not currently maintain a discrete statewide *curriculum* based on those standards. As the bill references alignment with a “*State curriculum*” that does not currently exist as a discrete framework, implementation of the bill requires one permanent full-time position to develop curriculum materials and oversee implementation.

Thus, general fund expenditures increase by \$99,736, which accounts for a 90-day start-up delay from the bill’s July 1, 2026 effective date. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$90,595
Operating Expenses	<u>9,141</u>
<b>Total FY 2027 MSDE Expenditures</b>	<b>\$99,736</b>

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Alternatively, because the bill authorizes local boards to determine the curriculum and instructional materials consistent with *State standards*, to the extent SBE implements the graduation requirement without establishing a separate statewide curriculum framework, implementation can be handled with existing resources.

SBE can adopt regulations using existing resources.

**Local Expenditures:** Local school system expenditures may increase beginning in fiscal 2029, when the graduating class of 2030 reaches grade 11 and must complete the required standalone financial literacy course. However, depending on local implementation decisions, some school systems may incur costs prior to fiscal 2029 to develop or revise curriculum and provide professional development, particularly if they do not currently offer a course that satisfies the bill’s standalone and grade-level requirements. As of the 2024-2025 school year, 9 counties already require financial literacy as a graduation requirement, while 15 do not; therefore, the magnitude of any fiscal impact will vary significantly by system and is expected to be lower for those that already require a qualifying course.

Anne Arundel and Frederick counties report no fiscal impact because the bill aligns with existing graduation requirements. Montgomery County projects one-time professional learning costs of approximately \$56,910, and Baltimore County anticipates minimal impact unless additional alignment or credit changes are required. In contrast, St. Mary's County estimates recurring annual staffing costs of approximately \$570,000 plus materials and curriculum expenses, and Wicomico County estimates approximately \$252,000 annually for two additional positions, along with one-time curriculum and resource development costs. Systems that cannot absorb the requirement within existing staffing and scheduling structures are expected to incur the greatest expenditures. Baltimore City Public Schools (BCPS) advises that an unspecified amount of staff time is needed to develop curriculum and provide professional development. BCPS also advises that adding a financial literacy course as a graduation requirement may impact student scheduling, especially for students attempting to complete a sequence of courses such as Career and Technical Education or International Baccalaureate.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has been introduced within the last three years. See HB 414 of 2024; SB 316 and HB 99 of 2023; SB 238 of 2023.

**Designated Cross File:** SB 592 (Senator Brooks) - Education, Energy, and the Environment.

**Information Source(s):** Anne Arundel County Public Schools; Baltimore City Public Schools; Baltimore County Public Schools; Maryland State Department of Education; Frederick County Public Schools; Montgomery County Public Schools; St. Mary's County Public Schools; Wicomico County Public Schools; Department of Legislative Services

**Fiscal Note History:** First Reader - February 24, 2026  
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