

Karen B. Salmon, Ph.D. State Superintendent of Schools

BILL: House Bill 916 **DATE:** February 17, 2021

SUBJECT: Education - Public Middle and **COMMITTEE:** Ways and Means

High Schools - Financial Literacy Curriculum and Graduation Requirement

POSITION: Information Only

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EXPLANATION:

The Maryland State Department of Education (MSDE) is providing information for consideration regarding House Bill (HB) 916 – Education - Public Middle and High Schools – Financial Literacy Curriculum and Graduation Requirement. The bill requires MSDE to update the Maryland State curriculum and standards for personal financial literacy education to include content related to student loans and taxes; authorize local school systems to collaborate with financial managers and institutions to help students achieve financial literacy; establish a financial literacy education week; require local school systems to host public discussions on financial literacy during financial literacy education week; require the State Board of Education to develop curriculum content for financial literacy courses; require each local school system to implement the financial literacy curriculum content in every public middle and high school; require students to complete a financial literacy course in order to graduate middle and high school; and require the financial literacy curriculum content to enable students to understand and apply certain principles of financial literacy.

The requirements identified in HB 916 are currently being implemented. In 2010, the Maryland State Board of Education adopted Code of Maryland Regulation 13A.04.06, which requires each school system to provide an instructional program in personal financial literacy in elementary, middle, and high school. MSDE collaborated with stakeholders to develop financial literacy standards. The current standards address student loans and taxes. MSDE also collaborated with school systems to identify financial literacy curriculum aligned to standards. Every April, MSDE partners with school systems and businesses to celebrate financial literacy month. MSDE releases an annual report detailing how each school system implements financial literacy requirements.

In 2017, financial literacy standards were updated and presented to the Maryland State Board of Education along with a report detailing the implementation of financial literacy education in Maryland public schools. Since the adoption of financial literacy standards:

1. All 24 local school systems have embedded personal financial literacy standards in a course required for graduation or have developed a stand-alone course.

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- a. Seventeen local school systems integrate personal financial literacy education in a course required for high school graduation (typically social studies courses).
- b. Seven local school systems have a stand-alone course required for graduation in personal financial literacy education.
- 2. All 24 local school systems fully certified to the State Superintendent of Schools that they are offering personal financial literacy education in grades 3-12 for all students consistent with Code of Maryland Regulations.

The legislation requires the development of a half-semester-long financial literacy course that must be completed for students to graduate from middle school. Students do not graduate from middle school so it is unclear how the bill will be fully implemented as currently written. Additionally, students already have a full schedule and current curriculum areas would need to be reduced or eliminated in order to accommodate this.

HB 916 also requires the development of a half-semester-long financial literacy course that must be completed for students to graduate from high school. High school students are currently required to complete a significant number of courses to graduate. The established number of school days and hours coupled with current State and local graduation course requirements minimizes options for additional graduation courses. The addition of a course may require modification of the school calendar or removal of another graduation requirement. It is also important to know that schools operate under a variety of formats that range from semester-long schedules with six- or seven-period days to block schedules with four-period days. Requiring a half-semester-long course does not provide the flexibility needed to accommodate the variety of schedules under which schools operate. In the case of block schedules, a half-semester course could be 4 ½ weeks of instruction. If the entire school year represents a semester, then financial literacy would be a ½ credit course. School systems would need to offer other ½ credit courses in order to provide students with sufficient course options to fill an entire school year.

MSDE is committed to supporting the implementation of financial literacy education. Standards have been developed, curriculum and supporting resources have been implemented, and professional learning opportunities for teachers have been provided. Local school systems are held accountable for implementing financial literacy in grades 3-12 through reporting requirements, which are published annually in a report produced by the MSDE.

We respectfully request that you consider this information as you deliberate **HB 916**. For further information, please contact Zachary Hands, at 410-767-0504, or <u>Zachary.hands1@maryland.gov</u>.