

SB638_Brooks.pdf

Uploaded by: Benjamin Brooks

Position: FAV

BENJAMIN BROOKS
Legislative District 10
Baltimore County

Education, Energy, and the
Environment Committee

Energy Subcommittee

Chair, Joint Electric Universal
Service Program Workgroup



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TESTIMONY IN SUPPORT OF SB638
Education – Student Service Hours – Financial Literacy Course

Education, Energy and the Environment Committee
February 23, 2024

Chair Feldman, Vice-Chair Kagan and Members of the Committee,

Thank you for the opportunity to testify before you today on SB638 - Education - Student Service Hours - Financial Literacy Course. The purpose of this bill is to encourage our students to become financially literate. Currently, Maryland public high school students are required to complete 75 hours of service-learning to graduate. This bill will allow high school students to supplement their required service hours with financial literacy courses approved by their local County Board of Education starting in the 2025-2026 school year. The county board of education will determine the weight of financial literacy courses compared to service hours. Under this legislation, Maryland public schools will produce well-rounded students equipped with both financial literacy skills and values of community service.

Currently, 15 out of Maryland's 24 Local Education Authorities (LEAs) do not offer financial literacy as a separate-credit course. Instead, financial literacy education is embedded into loosely related subjects such as World History and Government. Offering courses focused on financial literacy and incentivizing students to take them is an important step in ensuring our high schoolers enter the adult world with their best foot forward.

The National Financial Capability Study (NFCS), an independent organization, studies Americans' financial literacy knowledge by interviewing individuals across the United States.

In their most recent study, the NFCS interviewed Maryland residents earning less than \$50,000 a year:

- In 2009, 53% had adequate knowledge of inflation. In 2021, only 40% had adequate knowledge.
- In 2009, 67% had adequate knowledge of interest rates. In 2021, only 61% had adequate knowledge.
- In 2009, 31% of respondents overall had a high financial literacy knowledge. In 2021, only 21% had an adequate knowledge.

The study also investigated the financial outcomes of Marylanders who learned financial literacy in high school. Their findings are concerning:

- 63% spend more than their income,
- 22% don't have a savings account,
- 41% have paid the minimum balance on a credit card.

These findings demonstrate the shortcomings of embedded financial literacy education and the need for dedicated financial literacy courses. Our students are being taught financial literacy, but they are not becoming financially literate.

Under this bill, an eligible financial literacy course can be offered at a high school, by an institution of higher education, or by an organization approved by the county board. While counties have the option to establish new financial literacy courses, this bill allows them to take advantage of already existing financial literacy courses and programs. In exchange for taking these courses, students will earn hours towards their community service hour graduation requirement.

As you all know, Maryland has some of the strongest community colleges in the nation. This bill has the added benefit of introducing high school students to a higher education environment. If a student takes a financial literacy course at a community college, a very financially literate decision, they may then choose to take advantage of a dual enrollment program offered through many of Maryland's counties to continue their college studies.

Financial literacy is equally as important as, if not more so, than other electives offered by public schools and warrants the same focus other subjects receive. Allowing students agency in choosing their education produces more active learners. By incentivizing students to substitute service hours for financial literacy courses, we can boost students' engagement with their education. We can make our students book-smart, but if they are not also money-smart, we have failed to properly equip them with necessary life skills.

For these reasons, I am requesting a favorable report on SB638.

With kindest regards,

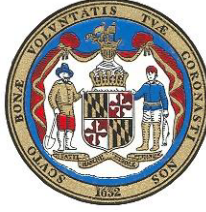


Benjamin Brooks

SB 638 - STO Testimony.pdf

Uploaded by: Dereck Davis

Position: FAV



MARYLAND STATE TREASURER
Dereck E. Davis

**Senate Bill 638: Education - Student Service Hours - Financial Literacy
Course**

Position: Favorable

Senate Education, Energy, and the Environment Committee

February 23, 2024

As part of ongoing efforts to improve the financial literacy of Marylanders, I respectfully request that the Committee give favorable consideration to Senate Bill 638.

It is a widely accepted truth that there is often a gap between the financial literacy education that children receive and the knowledge that is required to become a financially literate adult. Senate Bill 638 promotes financial literacy education without imposing a new curriculum requirement on school systems, which is a creative solution to the problem. Setting Marylanders on the right path early in their lives is the best chance that the next generation has to afford college or trade school, develop personal savings, make large purchases, and plan for retirement.

For the foregoing reasons, I request that the Committee give Senate Bill 638 a favorable report. Please contact Laura Atas, Deputy Treasurer for Public Policy (latas@treasurer.state.md.us), with any questions.

SB0638 - MBA - FAV - GR24.pdf

Uploaded by: Evan Richards

Position: FAV



SB 638 - Education - Student Service Hours - Financial Literacy Course

Committee: Senate Education, Energy, and the Environment Committee

Date: February 23, 2024

Position: Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** SB 638. This legislation would allow Maryland high school students to use the completion of an eligible financial literacy course to satisfy a certain number of student service hours needed for graduation.

MBA and its members recognize the critical importance of financial literacy skills and have long viewed this as a key priority. Maryland banks work consistently to help provide financial education programs and resources that make communities better, as it is more important than ever that young Marylanders understand that creating and maintaining a banking relationship, and having a good credit history, is essential to their futures.

Creating this incentive will encourage young Marylanders to seek out financial education right before they begin to make major financial decisions for the very first time. Providing students with this financial education will not only equip them for financial success, but will also put them into a better position to serve their communities in the future.

Accordingly, MBA urges issuance of a **FAVORABLE** report on SB 638.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing more than 26,000 Marylanders and holding more than \$209 billion in deposits in over 1,200 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.

SB638_MSEA_Lamb_FAV.pdf

Uploaded by: Lauren Lamb

Position: FAV

FAVORABLE
Senate Bill 638
Education – Student Service Hours – Financial Literacy Course

Senate Committee on Education, Energy, and the Environment
February 23, 2024

Lauren Lamb
Government Relations

The Maryland State Education Association supports Senate Bill 638, which would require each county board of education to allow completion of an eligible financial literacy course to be applied toward fulfillment of the student service hours high school graduation requirement for the number of hours determined by the county board.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our almost 900,000 students so they can pursue their dreams. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3-million-member National Education Association (NEA).

Promoting financial literacy among students is a laudable goal, and one that each county board across our state approaches differently. We appreciate that this innovative bill offers an incentive for students to take financial literacy-related coursework without imposing a mandate on local curriculum or courses offered. This is a thoughtful approach that we are optimistic will have a positive impact for Maryland students.

We urge the committee to issue a favorable report on Senate Bill 638.

Testimony in support of SB0638.pdf

Uploaded by: Richard KAP Kaplowitz

Position: FAV

SB0638_RichardKaplowitz_FAV

2/23/2024

Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON SB#/0638 - POSITION: FAVORABLE
Education - Student Service Hours - Financial Literacy Course

TO: Chair Feldman, Vice Chair Kagan, and members of the Education, Energy and the Environment Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3. I am submitting this testimony in favor of SB#/0638, Education - Student Service Hours - Financial Literacy Course

The timeless wisdom of Proverbs 22:6 states "Train a child in the way he [should] go; and, even when old, he will not swerve from it." . Ecclesiastes 5:10 tells us "A lover of money never has his fill of money, nor a lover of wealth his fill of income. That too is futile."

This bill makes learning how to manage money and finances part of the educational requirements for high school graduation so that the student is equipped to "adult" in handling their financial obligations and future. The website District Administration reports that "A whopping 53% of high school teachers are seeing concerning levels of financial illiteracy among their students, according to a recent study on the state of economics and personal finance in high schools conducted by Project Tomorrow and Certell. Just 10% of educators said their students are above basic proficiency."ⁱ

This bill will assist Maryland schools in combatting that problem and ensure our graduates are equipped to manage their money and investments once they leave high schools.

I respectfully urge this committee to return an favorable report on SB#0638.

ⁱ <https://districtadministration.com/high-school-students-suffer-financial-illiteracy-fix/#:~:text=A%20whopping%2053%25%20of%20high%20school%20teachers%20are,educators%20said%20their%20students%20are%20above%20basic%20proficiency.>

02.22 - SB 638 - Education - Student Service Hours

Uploaded by: Robin McKinney

Position: FAV



SB 638 – Education - Student Service Hours - Financial Literacy Course
Education, Energy and the Environment Committee
February 23, 2024
SUPPORT

Chair Feldman, Vice-Chair Kagan and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 638. This bill will require each county board of education, beginning in the 2025-2026 school year, to allow completion of an eligible financial literacy course to be applied toward fulfillment of the student service hours high school graduation requirement.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

CASH staffs the Financial Education and Capability Commission which is chaired by Senator Brooks and Delegate Stein. The Commission has four core tasks, including improving the financial education and capability of residents in Maryland. They also helped develop the Financial Education and Capability Awards that honors teachers, individuals and organizations that serve as leaders in financial education. Through the Commission's work, we have seen a need for more financial education class options and offerings for students.

SB 638 will further financial education across the state for high school students, as it will allow them to take eligible financial courses to fulfill their student service hours. This bill states that 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. These provisions will ensure that students are receiving financial education that will set them up for financial success post-graduation.

CASH offers financial education workshops at [CASH Academy](#) that covers a wide range of topics like building credit, creating a budget, and managing debt. Investing in financial education for youth is beneficial to both individual Marylanders and the state as a whole. When young adults have low levels of financial education, they are more likely to make poor financial decisions, investments, and have greater rates of poverty. Young adults in the United States owe over \$1 trillion in debt, and 70% of millennials live paycheck to paycheck.¹ It is crucial for the state of Maryland to invest in the resources to teach our young residents how to invest in the future and in themselves.

Thus, we encourage you to return a favorable report for SB 638.

¹ United Way: <https://unitedwaync.org/blog/financial-literacy-for-youth/>

2024 MDDCCUA - SB638 - Education - Student Servic

Uploaded by: Rory Murray

Position: FAV



MD|DC
Credit Union Association

Chair Brian Feldman
2 West
Miller Senate Office Building
Annapolis, Maryland 21401

SB638- Education - Student Service Hours - Financial Literacy Course
Testimony on Behalf of: MD|DC Credit Union Association
Position: Support

Chair Feldman, Vice-Chair Kagan, and Members of the Committee:

The MD|DC Credit Union Association, on behalf of the 70+ Credit Unions and the 2.2 million members that we represent in the State of Maryland, appreciates the opportunity to testify on this legislation. Credit Unions are member-owned, not-for-profit financial cooperatives whose mission is to educate and help members achieve financial well-being. We respectfully support this bill.

Since their founding, Credit unions have been vocal supporters of financial literacy for all. Virtually every credit union mission statement will include something to “increase the knowledge and ability of our members to manage and control their financial well-being.” Our goal isn’t simply to offer great products, services, and rates. Credit Unions have always been focused on helping their members and communities become confident in their abilities to manage their finances to improve financial well-being for all.

For our part, MD|DC Credit Union Association and our member credit unions engage in various financial literacy programs.

Financial Literacy Fairs: This in-person simulation type of event prepares high schoolers for financial success by finding out first-hand what it is like to live within their means. Students choose a career that determines their monthly salary. They visit food, clothing, housing, transportation and other booths to budget for the basics. Credit union volunteers tempt the participants to spend their hard-earned money on non-essential expenses such as vacations, electronics, spa treatments and pets. Lastly, the students spin the “wheel of reality” and land on either an unexpected expense or windfall. At the end of this program, the student’s budgets are reviewed by real credit union financial counselors who give the students some guiding advice for their futures. MD|DC CUA has been very successful in running financial reality fairs. For example, since 2012, 6,000 students have attended 15 Credit Union Financial Reality Fairs in Allegany County alone.

Millionaires Club: The Millionaire's Club is a complete financial skills program designed for delivery in a club-like setting at high schools, colleges, and other community organizations. The focus is on delivering a meaningful learning experience to Club members that will provide lifelong personal finance skills, so participants avoid financial missteps, and prosper in our ever-challenging financial world. This program is done in partnership with the MD Credit Union Foundation and sponsoring credit unions.



We are pleased to **support** this bill.

Please do not hesitate to contact me at 443-325-0774 or jbratsakis@mddccua.org, should you have any questions. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "John Bratsakis". The signature is fluid and cursive, with a long horizontal stroke at the end.

John Bratsakis
President/CEO
MD|DC Credit Union Association
9891 Broken Land Parkway,
Suite 405
Columbia, MD 21046

SB638 - Education - Student Service Hours - Financ

Uploaded by: Dawana Sterrette

Position: UNF

BALTIMORE CITY PUBLIC SCHOOLS

Brandon M. Scott
Mayor, City of Baltimore

Jhonneta A. Richardson
Chair, Baltimore City Board
of School Commissioners

Dr. Sonja Brookins Santelises
Chief Executive Officer

**The Baltimore City Board of School Commissioners
In Opposition of
Senate Bill 638 – Education –
Student Service Hours –
Financial Literacy Cours**

February 23, 2024

The Baltimore City Board of School Commissioners understands the necessity for students to be prepared to deal with their financial future; from accepting student loans, applying for credit, etc. It is important in this world for students to have an understanding of finances. The Board believes that in order for this legislation to be possible, it would have to make the financial literacy course a stand alone course requirement. There would be some costs that the district would incur in implementing this stand-alone course.

Costs for curriculum and professional development should be covered by the State, if this should become law. The costs for the school district for the initial year would be approximately \$35,000 and ongoing years approximately \$10,000. It should be noted that incorporating financial literacy would reduce the number of available opportunities for students to pursue different courses in high school.

However, please know that the Baltimore City Public School System (BCPSS) currently attempts to prepare the whole child, and part of that preparation is understanding personal finances. The elementary and middle grade school students are introduced to financial literacy in social studies classes. There are economic themes in every social studies course taught in the BCPSS, because it is a content standard.

In high school, financial literacy is a required content area and the school board incorporates monetary and fiscal policy into required courses to graduate. Monetary policy, in particular, has personal finance and financial literacy themes. Grade 10 students have an option to elect course work on the principles of business and financial management. Students can learn entrepreneurship along with basic accounting and finance practices. The skills that they learn from this coursework can be translated into their personal habits as they mature and take on more financial responsibility, and must make more personal financial decisions.

The school system also participates yearly with the Maryland Banker's Association (MBA). MBA supports "Teach Children to Save Day." One day a year, MBA representatives come to our schools and teach children the basics of savings. Additionally, some school system principals participate in the "Stock Market Game." This game is an excellent resource used to support financial literacy.

For the foregoing reasons, the Baltimore City Board of School Commissioners opposes Senate Bill 638 urges an unfavorable report.

Dawana Merritt Sterrette, Esq.
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SB 638.Financial Literacy Classes and Service Hour

Uploaded by: John Woolums

Position: UNF

BILL: Senate Bill 638
TITLE: Education – Student Service Hours – Financial Literacy Course
DATE: February 23, 2024
POSITION: OPPOSE
COMMITTEE: Education, Energy, and the Environment
CONTACT: John R. Woolums, Esq.

The Maryland Association of Boards of Education (MABE) opposes Senate Bill 638 with amendments brought forth by the sponsor to ensure that local school systems have the flexibility, rather than mandate, to implement financial literacy curriculum content based on high quality state resources.

MABE certainly appreciates this bill's bold initiative to promote financial literacy of students by authorizing local boards of education to approve financial literacy courses as qualifying for credit toward the student's 75 hours of service learning required for high school graduation. However, as this committee knows, MABE strongly supports local decision-making authority in developing curriculum, assessments, and instructional programs in conjunction with the State Board of Education; and that instructional programs be adopted in accordance with local board priorities and available resources.

Therefore, local boards of education oppose the bill's proposed mandate that all local school systems adopt a policy consistent with the bill beginning in the 2025-2026 school year.

Local boards are charged with providing an excellent education for all students, including students who require additional services, and complying with myriad state and federal mandates. Likewise, state and local superintendents and boards of education take very seriously the pleas from legislators, parents, and the business community for greater attention to instructing our students in financial literacy so that they are prepared to make sound financial decisions. Financial literacy is a wonderful example of how, and why, the education policy-making arena is the appropriate place for these decisions to be made and carried out.

For these reasons, MABE requests an unfavorable report on Senate Bill 638.