

# Task Force to Study How to Improve Financial Literacy in the State

## 2008 Membership Roster

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Senator C. Anthony Muse, Co-chair

Delegate Dana M. Stein, Co-chair

Senator Katherine A. Klausmeier

Delegate Susan W. Krebs

Ms. Pamela Banks

Ms. Kulley Bancroft

Mr. Thomas Beck

Mr. Randall Cerveny

Mr. Michael Croxson

Dr. Charlene M. Dukes

Dr. Lynne M. Gilli

Ms. Carol Gilbert

Mr. Bert J. Hash, Jr.

Ms. Mary Ann Hewitt

Ms. Melanie Senter Lubin

Ms. Robin McKinney

Ms. Helen Ottley

Ms. Sarah Bloom Raskin

Ms. Jane R. Stern

Mr. Kenneth Venick

### Staff

Sara C. Fidler

Lynne Blume Rosen

Jason Weintraub



## **Task Force to Study How to Improve Financial Literacy in the State**

### *Recommendations Relating to Financial Literacy Education in Primary and Secondary Schools*

The Task Force to Study How to Improve Financial Literacy in the State was created by Senate Bill 533 (Chapter 186)/House Bill 1242 (Chapter 187) of the 2008 session. Although the charge of the task force includes the study of financial literacy challenges facing both student and adult populations, at this time, the task force has only completed its study relating to the student population. The full task force has met three times: November 5, 2008, for an organizational meeting; November 20, 2008, for briefings relating to financial literacy education; and December 11, 2008, to review the recommendations of the Education Workgroup of the task force and to make final recommendations relating to financial literacy education in primary and secondary schools.

The briefings that were held at the November 20, 2008, meeting of the task force explored the issue of financial literacy education on a national level, a State level, and at the local level. These briefings additionally provided information relating to partnerships between schools and various financial institutions (credit unions and banks) and nonprofit organizations and coalitions. The agenda from this meeting is included as an appendix to this report.

The current nationwide financial crisis and the distress that it is causing millions of American families persuaded the task force that the need for all people to be financially literate is both compelling and urgent. It is with that in mind that the task force makes the following recommendations to the State Board of Education. The task force recommends that the State Board of Education:

1. Develop and adopt K-12 Personal Financial Literacy standards through the Code of Maryland Regulations that define a set of knowledge and skills. These standards will supplement those in the content areas of social studies, government, and family and consumer science (FACS). Align these standards with State and national standards. Additionally require local superintendents to certify every five years that financial literacy content is included within local curriculum and is based on the identified standards.
2. In cooperation with the Maryland State Department of Education (MSDE), coordinate a design team including but not limited to local school systems; the Maryland State Teachers Association (MSTA); the Parent and Teacher Association (PTA); the Maryland Association of Boards of Education (MABE); nonprofit organizations and coalitions; the banking, financial, and credit industries including credit unions, and any other interested parties or stakeholders to create a systemic approach to implementing personal financial literacy standards by providing professional development, curriculum; and other resources.
3. Consider regulations for a K-12 Voluntary State Curriculum (VSC) aligned with State and national standards for personal financial literacy. Local school systems will determine when to implement, what to implement, and how to implement the VSC

similar to other content areas. MSDE will partner with local school systems; MSTA; PTA; MABE; nonprofit organizations and coalitions; the banking, financial, and credit industries including credit unions; and any other interested parties or stakeholders to provide resources and professional development to support local school systems' implementation efforts.

4. Require reporting from the 24 local school systems (with or without current programs), to be compiled by MSDE on a periodic basis, and then submitted to the State Board of Education, the Governor, and the General Assembly regarding existing financial literacy courses (or reasons for the lack thereof), the fiscal impact of these courses, and their effectiveness.
5. Develop a mechanism to evaluate the effectiveness of each local school system's financial literacy education program.
6. Oversee the creation of a statewide clearinghouse of public/private partnerships (including financial institutions, nonprofit coalitions, etc.) and model curricula relating to financial literacy education. Include web links to MSDE; the Treasurer's Office; the Department of Labor, Licensing, and Regulation; the Department of Housing and Community Development; the Attorney General's Office; the Maryland Banker's Association; etc. (as appropriate).

The task force has developed a timeline for next steps and anticipated reactions and responses to these recommendations.

**December, 2008:** The State Board of Education will be informed of these recommendations.

**January 27, 2009:** The chairs of the task force will present to the State Board of Education regarding the perspective of the task force relating to the need for financial literacy education in primary and secondary schools.

**February 9, 2009:** The task force will hold an organizational meeting to discuss how to study the adult populations and make recommendations relating to the obstacles faced by the average consumer in acquiring and using basic financial literacy concepts.

**March 1, 2009:** The State Board of Education will report to the task force regarding what, if any, preliminary steps have been taken to implement and/or enhance financial literacy education in the State. This report may include fiscal estimates relating to implementation/enhancement of financial literacy education.

**June 1, 2009:** The State Board of Education will follow up its report of March 1, 2009, detailing affirmative steps that have been taken to accomplish and further the goals of the task force.

If no action is taken by the State Board of Education or by MSDE regarding these recommendations and within this timeline, the task force will seriously consider introducing legislation during the 2010 session to require that these actions be taken.

## Appendix

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### Task Force to Study How to Improve Financial Literacy in the State

*Senator C. Anthony Muse, Co-chair*  
*Delegate Dana M. Stein, Co-chair*

#### Agenda

Thursday, November 20, 2008

1:00 p.m.

Room 130 House Office Building  
Annapolis, Maryland

### Financial Literacy Education in Primary and Secondary Schools

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#### I. Nationally and in Other States

Robin Hovis, Member, Ohio State Board of Education;  
Member, National Association of State Boards of Education,  
Financial Literacy Report Committee

#### II. In Maryland

- A. Lynne M. Gilli, Program Manager, CTE Instructional Branch,  
Maryland State Department of Education
- B. Marjorie Lohnes, Supervisor of Career and Technology Education,  
Carroll County Public Schools
- C. Rex Shepard, Coordinator of Secondary Social Studies,  
Baltimore County Public Schools
- D. Tina Nelson, Coordinator of Elementary Social Studies,  
Baltimore County Public Schools
- E. Kathy Dill, Social Studies Supervisor, Talbot County Public Schools
- F. Allen Cox, Managing Director, Maryland Coalition for Financial Literacy

#### III. Financial Institution Partnerships and Programs

- A. Suzanne Curren, Director of Member Education,  
Andrews Federal Credit Union
- B. Mindy Lehman, Vice President of Government Affairs,  
Maryland Bankers Association
- C. Alison Tavik, Director of Communications,  
Marketing & Consumer Education, Maryland Bankers Association
- D. Kulley Bancroft, Vice President, Public & Community Relations,  
Sandy Spring Bank
- E. Lisa Monthly, Senior Vice President, Branch Administration,  
Marketing, New Windsor State Bank