

**CITY OF BALTIMORE  
COUNCIL BILL 09-0129R  
(Resolution)**

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Introduced by: Councilmembers Holton, Henry, Kraft, Reisinger, D'Adamo, Cole, Welch,  
Branch, Clarke, Young, Spector, Middleton  
Introduced and read first time: April 27, 2009  
Assigned to: Education Committee

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Committee Report: Favorable with an amendment  
Adopted: August 10, 2009

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**A COUNCIL RESOLUTION CONCERNING**

**Financial Literacy - Requirement for Graduation  
from Baltimore City Schools**

FOR the purpose of requesting the New Board of School Commissioners and the CEO of  
Baltimore City Schools to examine the feasibility of requiring students to pass a course in  
financial literacy to graduate from Baltimore City schools.

**Recitals**

On March 2, 2007, the Maryland Coalition for Financial Literacy, a division of the Maryland  
Council on Economic Education, a non-profit with 50 years experience in teacher training in the  
field of economics, was successful in securing the adoption of a Senate Resolution: "We urge  
county boards of education to integrate the principles of basic personal finance into the  
curriculum and instruction established for their local school system and urge county boards of  
education to implement certain standards as part of a student's eligibility to graduate from a  
public high school and receive a high school diploma."

The evidence to support a financial literacy graduation requirement included:

- The majority of college students say they learn the most about personal finance from their parents, but less than 1/2 of students say their parents make a consistent, conscientious effort to teach them.
- Nearly 2/3<sup>rd</sup> (63%) of the parents surveyed say they definitely see personal finance education as their responsibility and consistently make the effort to teach their children about it, compared to only 41% of students who said their parents did.
- More than 3/4 of students (76%) wish they had more help preparing their financial future.
- Parents rank developing good personal financial skill and being able to handle their money (74%) ahead of both following the wrong crowd (58%) and drugs/alcohol use (56%) in terms of concerns parents have for their children's futures. Only personal safety ranked higher (89%).

**EXPLANATION:** Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter stricken by amendment.

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- 1 • A recent Visa survey revealed that 91% of the respondents felt that financial  
2 education should be taught in every high school.
- 3 • Nearly 1/3<sup>rd</sup> (32%) of college students, when thinking about their freshman year,  
4 admit that they were “not at all” or “not very well prepared” for managing their  
5 money on campus. Only 1 in 5 (20%) students claims to have been “very well  
6 prepared” for managing their money on campus.
- 7 • Only 14% of American adults mentioned their company’s 401(k) plan when asked  
8 about ways they save.
- 9 • Only 11% of workers under 35 indicate they are participating in their company’s  
10 401(k).
- 11 • More people declare bankruptcy each year than graduate from college.
- 12 • Nearly 2/3<sup>rd</sup> (63%) of Americans acknowledge they don’t save enough, and more  
13 than 1/3<sup>rd</sup> say they often (11%) or sometimes (25%) spend more than they can  
14 afford. More than one-in-three (36%) Americans also say they have at some point in  
15 their lives felt their financial situation was out of control.

16 The latest financial literacy test given by the not-for-profit Jump\$Start Coalition for Personal  
17 Finance Literacy to 5,775 high school students in 305 schools across the country during  
18 December and January 2006, resulted in an overall score – on average students answered 52.4%  
19 of the questions correctly – of “F” in a typical grading score. The official who conducts  
20 Jump\$Starts test found that most educators today recognize the need for students to learn the  
21 basics of managing money, including credit and insurance, by the time they leave high school, if  
22 not sooner.

23 In the Baltimore City Public School System, financial literacy is taught mostly in high school  
24 as part of other courses such as business, math, and social studies. Given the overwhelming  
25 evidence of the need for financial management education, it is the appropriate time to consider  
26 financial literacy as a requirement for graduation.

27 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the New  
28 Board of School Commissioners and the CEO of Baltimore Public Schools are requested to  
29 examine the feasibility of requiring students to pass a course in financial literacy to graduate  
30 from Baltimore City schools.

31 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the  
32 CEO of Baltimore City Schools, the President and Members of the New Board of School  
33 Commissioners, the Presidents of the Baltimore Council of PTAs and the Maryland PTA, and  
34 the Mayor’s Legislative Liaison to the City Council.