



Force to Study How to Improve Financial Literacy in the State; urging the Honorable Chair and Members of the Senate Education, Health, and Environmental Affairs Committee to give the bill a favorable report; requesting the Honorable Chair and Members of the Baltimore City Senate and House Delegation to the 2008 Maryland General Assembly to support passage of the legislation; and entreating the Governor to sign the legislation into law.

Recitals

The current sub-prime lending and mortgage foreclosure crisis has adversely affected the City of Baltimore, causing approximately 404 foreclosures in Baltimore City over the past year. The number of properties foreclosed in Baltimore City represents nearly 10% of all foreclosures over the last year within the State of Maryland. In addition, the number of properties foreclosed within Baltimore City has risen nearly 500% over the last year.

These figures and other information put forth in the October 2007 Maryland Homeownership Preservation Task Force Report show that not only was this increase in foreclosure events caused by irresponsible brokers and lending services, but also by a lack of knowledge of the average Marylander concerning the mortgage and lending processes.

Furthermore, the Homeownership Preservation Task Force has called for the promotion of financial literacy programs across the State to better educate the people of Maryland regarding mortgage and lending processes in the hopes that such programs will prevent a mortgage crisis from reoccurring in the future.

Senate Bill 533 and House Bill 1242 provide for the creation of a task force to study how to improve financial literacy education in the State, to study the current ability of consumers over the age of 21 who have achieved a high school diploma to understand basic financial concepts, and study the problems created for the average consumer by lack of financial knowledge. Knowledge needed includes how to set financial goals, establish household budgets, and understand credit scores. The task force will also make recommendations regarding the utility of financial literacy education as part of primary and secondary education programs.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That this Body shows support for Senate Bill 533 and House Bill 1242 that provide for the creation of a Task Force to Study How to Improve Financial Literacy in the State; urging the Honorable Chair and Members of the Senate Education, Health, and Environmental Affairs Committee to give the bill a favorable report; requesting the Honorable Chair and Members of the Baltimore City Senate and House Delegation to the 2008 Maryland General Assembly to support passage of the legislation; and entreating the Governor to sign the legislation into law.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Governor, the Honorable Chairs and Members of the Senate Education, Health, and Environmental Affairs Committee, the Honorable Chair and Members of the Baltimore City Senate and House Delegations to the 2008 Maryland General Assembly, the Mayor, the Executive Directors of the Mayor's Office of State Relations, and the Mayor's Legislative Liaison to the City Council.

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