

109TH CONGRESS  
2D SESSION

# S. RES. 410

Designating April 2006 as “Financial Literacy Month”.

---

## IN THE SENATE OF THE UNITED STATES

MARCH 28, 2006

Mr. AKAKA (for himself, Mr. SARBANES, Mr. COCHRAN, Mr. LAUTENBERG, Mr. KOHL, Ms. STABENOW, Mr. TALENT, Mrs. LINCOLN, Mr. CRAPO, Mr. JOHNSON, Mr. DODD, Mr. MARTINEZ, Mr. DURBIN, Mr. INOUE, Mr. DEMINT, Mr. BAUCUS, Mrs. FEINSTEIN, Mr. COLEMAN, and Mr. ALLEN) submitted the following resolution; which was considered and agreed to

MARCH 29, 2006

Previous adoption vitiated; considered and agreed to with an amended preamble

---

# RESOLUTION

Designating April 2006 as “Financial Literacy Month”.

Whereas the personal savings rate of United States citizens in 2005 was negative 0.5 percent, marking the first time that the rate has been negative since the Great Depression year of 1933;

Whereas in 2005, only 42 percent of workers or their spouses calculated the amount that they needed to save for retirement, down from 53 percent in 2000;

Whereas the 2005 Retirement Confidence Survey found that a majority of workers believe that they are behind sched-

ule on their retirement savings and that their debt is a problem;

Whereas during the third quarter of 2005, the household debt of United States citizens reached \$11,000,000,000,000;

Whereas during the third quarter of 2005, individuals serviced their debt with a record 13.75 percent of after-tax income;

Whereas nearly 1,600,000 individuals filed for bankruptcy in 2004;

Whereas approximately 75,000,000 individuals remain credit-challenged and unbanked, or are not using insured, mainstream financial institutions;

Whereas expanding access to the mainstream financial system will provide individuals with less expensive and more secure options for managing their finances and building wealth;

Whereas a greater understanding of and familiarity with financial markets and institutions will lead to increased economic activity and growth;

Whereas financial literacy empowers individuals to make wise financial decisions and reduces the confusion caused by the increasingly complex economy of the United States;

Whereas only 26 percent of individuals who were between the ages of 13 and 21 reported that their parents actively taught them how to manage money;

Whereas the majority of college seniors have 4 or more credit cards, and the average college senior carries a balance of \$3,000;

Whereas 1 in every 10 college students has more than \$7,000 of debt;

Whereas many college students pay more in interest on their credit cards than on their student loans;

Whereas a 2004 Survey of States by the National Council on Economic Education found that 49 States include the subject of economics in their elementary and secondary education standards, and 38 States include personal finance, up from 48 and 31 States, respectively, in 2002;

Whereas a 2004 study by the JumpStart Coalition for Personal Financial Literacy found that high school seniors scored higher than their previous class on an exam about credit cards, retirement funds, insurance, and other personal finance basics for the first time since 1997;

Whereas, in spite of the improvement in test scores, 65 percent of all participating students still failed the exam;

Whereas individuals develop personal financial management skills and lifelong habits during their childhood;

Whereas personal financial education is essential to ensure that individuals are prepared to manage money, credit, and debt, and become responsible workers, heads of households, investors, entrepreneurs, business leaders, and citizens;

Whereas Congress found it important to coordinate Federal financial literacy efforts and formulate a national strategy; and

Whereas, in light of that finding, Congress established the Financial Literacy and Education Commission in 2003 and designated the Office of Financial Education of the Department of the Treasury to provide support for the Commission: Now, therefore, be it

1       *Resolved*, That the Senate—

2               (1) designates April 2006 as “Financial Lit-  
3       eracy Month” to raise public awareness about—

4                       (A) the importance of financial education  
5       in the United States; and

6                       (B) the serious consequences that may re-  
7       sult from a lack of understanding about per-  
8       sonal finances; and

9               (2) calls on the Federal Government, States, lo-  
10      calities, schools, nonprofit organizations, businesses,  
11      and the citizens of the United States to observe the  
12      month with appropriate programs and activities.

○