

110TH CONGRESS
1ST SESSION

S. RES. 126

Designating April 2007 as “Financial Literacy Month”.

IN THE SENATE OF THE UNITED STATES

MARCH 27, 2007

Mr. AKAKA (for himself, Mr. DODD, Mrs. CLINTON, Mr. COCHRAN, Mr. DURBIN, Mr. KOHL, Mr. KENNEDY, Mr. MENENDEZ, Mr. SCHUMER, Mr. INOUYE, Ms. STABENOW, Mr. CARDIN, Mr. LEVIN, Mr. CRAPO, Mr. DEMINT, Mrs. FEINSTEIN, Mr. BAUCUS, Mr. THOMAS, Mrs. LINCOLN, Mr. ALLARD, and Mr. ENZI) submitted the following resolution; which was considered and agreed to

RESOLUTION

Designating April 2007 as “Financial Literacy Month”.

Whereas the personal savings rate of people in the United States declined from minus 0.5 percent in 2005 to minus 1.0 percent in 2006, making 2005 and 2006 the only years since the Great Depression years of 1932 and 1933 when the savings rate has been negative;

Whereas the 2006 Retirement Confidence Survey conducted by the Employee Benefit Research Institute found that only 42 percent of workers or their spouses calculated how much they need to save for retirement, down from 53 percent in 2000;

Whereas consumer debt exceeded \$2,400,000,000,000 in 2006;

Whereas household debt reached a record \$12,800,000,000,000 in 2006;

Whereas, during the second quarter of 2006, a record high of 14.5 percent of disposable personal income went to paying the interest on personal debt;

Whereas over 1,000,000 individuals in the United States filed for bankruptcy in 2006;

Whereas nearly half of adults in the United States are not aware that they can access their credit reports for free;

Whereas, in a 2006 survey, the Jump\$tart Coalition for Personal Financial Literacy found that high school seniors scored an average of only 52.4 percent on an exam testing knowledge of basic personal finance;

Whereas approximately 10,000,000 households in the United States do not have accounts at mainstream financial institutions such as banks or credit unions;

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 the 2004 Survey of the States compiled by the National Council on Economic Education found that only 17 States require an economics course to be offered to high school students;

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

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

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

Whereas, in 2003, 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 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 2007 as “Financial Literacy 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 result from a lack of understanding about personal finances; and

9 (2) calls on the Federal Government, States, localities, schools, nonprofit organizations, businesses, and the people of the United States to observe the month with appropriate programs and activities.

