

110TH CONGRESS
2D SESSION

S. RES. 495

Designating April 2008 as “Financial Literacy Month”.

IN THE SENATE OF THE UNITED STATES

APRIL 1 (legislative day, MARCH 13), 2008

Mr. AKAKA (for himself, Mr. DODD, Mr. ENZI, Ms. STABENOW, Mr. LEVIN, Mr. SCHUMER, Mr. INOUE, Mr. MENENDEZ, Mr. CRAPO, Mr. JOHNSON, Mr. CARDIN, Mrs. LINCOLN, Mr. COCHRAN, Mr. MARTINEZ, Mrs. MURRAY, Mr. ALLARD, Mr. DURBIN, Mr. BAUCUS, and Mrs. FEINSTEIN) submitted the following resolution; which was considered and agreed to

RESOLUTION

Designating April 2008 as “Financial Literacy Month”.

Whereas the personal savings rate of people in the United States declined from negative 0.5 percent in 2005 to negative 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, and the decline continued in the first month of 2008;

Whereas, in April 2007, a survey on personal finances reported that 25 percent of workers in the United States responded as having “no savings”;

Whereas the 2007 Retirement Confidence Survey conducted by the Employee Benefit Research Institute found that only 43 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 \$2,500,000,000,000 in 2007, an increase of 33 percent since 2001;

Whereas household debt reached a record \$13,750,000,000,000 in 2007;

Whereas, during 2007, a near-record high of more than 14 percent of disposable personal income went to paying the interest on personal debt;

Whereas people in the United States are now facing record numbers of homes in foreclosure, and for the first time in history, they have more total debt than equity in their homes;

Whereas approximately 800,000 families filed for bankruptcy in 2007;

Whereas nearly half of adults in the United States are not aware that they can access their credit reports for free, and 1 in 4 reported having never checked their credit score;

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 2007 Survey of the States compiled by the National Council on Economic Education found that only 22 States require testing of economics as a high school graduation requirement, 3 fewer States than did so in 2004;

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 passed the Financial Literacy and Education Improvement Act of 2003 (Public Law 108–159; 117 Stat. 2003) establishing the Financial Literacy and Education Commission and designating 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 2008 as “Financial Lit-

3 eracy Month” to raise public awareness about—

1 (A) the importance of personal financial
2 education in the United States; and

3 (B) the serious consequences that may re-
4 sult from a lack of understanding about per-
5 sonal finances; and

6 (2) calls on the Federal Government, States, lo-
7 calities, schools, nonprofit organizations, businesses,
8 and the people of the United States to observe the
9 month with appropriate programs and activities.

○