

111TH CONGRESS
2D SESSION

S. RES. 485

Designating April 2010 as “Financial Literacy Month”.

IN THE SENATE OF THE UNITED STATES

APRIL 15, 2010

Mr. AKAKA (for himself and Mr. ENZI) submitted the following resolution;
which was considered and agreed to

RESOLUTION

Designating April 2010 as “Financial Literacy Month”.

Whereas according to the Federal Deposit Insurance Corporation, at least 25.6 percent of households in the United States, or close to 30,000,000 households with approximately 60,000,000 adults, are unbanked or underbanked and, subsequently, have missed opportunities for savings, lending, and basic financial services;

Whereas according to the 2009 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, 41 percent of adults in the United States, or more than 92,000,000 adults living in the United States, gave themselves a grade of C, D, or F on their knowledge of personal finance;

Whereas according to the National Bankruptcy Research Center, the number of personal bankruptcy filings

reached 1,410,000 in 2009, a 32 percent increase from 2008 and the highest number since 2005;

Whereas the 2009 Retirement Confidence Survey conducted by the Employee Benefit Research Institute found that the percentage of workers who were “very confident” about having enough money for a comfortable retirement decreased sharply, from 27 percent in 2007 to 18 percent in 2008 to 13 percent in 2009, the lowest since the question was first asked in the survey in 1993, and representing a 50 percent decline in worker confidence since 2007;

Whereas according to a 2009 “Flow of Funds” report by the Federal Reserve, household debt stood at \$13,600,000,000,000;

Whereas according to the Department of Labor, only 43 percent of people in the United States have calculated how much they need to save for retirement;

Whereas according to the 2009 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, 26 percent, or more than 58,000,000 adults, admit to not paying all of their bills on time;

Whereas according to the 2009 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, $\frac{1}{3}$ of adults in the United States, approximately 72,000,000 adults, report that they have no savings and only 23 percent of adults in the United States are now saving more than they did a year ago because of the current economic climate;

Whereas according to the 2009 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, less than $\frac{1}{2}$ of adults keep close track

of their spending, and nearly 16,000,000 adults do not know how much they spend on food, housing, and entertainment, and do not monitor their overall spending;

Whereas the number of adults keeping close track of their spending has not improved since 2007;

Whereas according to the sixth Survey of the States 2009: Economic, Personal Finance, and Entrepreneurship Education in Our Nation's Schools, conducted by the Council for Economic Education, only 21 States require students to take an economics course as a high school graduation requirement, and only 19 States require the testing of student knowledge in economics;

Whereas according to the sixth Survey of the States 2009: Economic, Personal Finance, and Entrepreneurship Education in Our Nation's Schools, conducted by the Council for Economic Education, only 13 States require students to take a personal finance course either independently or as part of an economics course as a high school graduation requirement;

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

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 an increasingly complex economy;

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 2010 as “Financial Lit-
3 eracy Month” to raise public awareness about—

4 (A) the importance of personal financial
5 education 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 people of the United States to observe the
12 month with appropriate programs and activities.

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