

112TH CONGRESS
2D SESSION

S. RES. 409

Designating April 2012 as “Financial Literacy Month”.

IN THE SENATE OF THE UNITED STATES

MARCH 28, 2012

Mr. AKAKA (for himself, Mr. ENZI, Mr. BAUCUS, Mr. BLUNT, Mr. CARDIN, Mr. CARPER, Mr. COCHRAN, Mr. COONS, Mr. CRAPO, Mr. DURBIN, Mrs. HAGAN, Mr. INOUE, Mr. JOHNSON of South Dakota, Mr. KOHL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. MENENDEZ, Mrs. MURRAY, Mr. WICKER, and Mr. BROWN of Ohio) submitted the following resolution; which was considered and agreed to

RESOLUTION

Designating April 2012 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 2011 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, 41 percent of adults in the United States, or more than 77,000,000 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 1,500,000 in 2010, the highest number since 2005, and in 2011, the percentage of total consumer filings increased from 2010;

Whereas the 2011 Retirement Confidence Survey conducted by the Employee Benefit Research Institute found that only 13 percent of workers were “very confident” about having enough money for a comfortable retirement, a sharp decline in worker confidence from the 27 percent of workers who were “very confident” in 2007;

Whereas according to the 2011 Retirement Confidence Survey conducted by the Employee Benefit Research Institute, less than half of workers (42 percent) in the United States have tried to calculate how much they need to save for retirement;

Whereas according to a 2011 “Flow of Funds” report by the Board of Governors of the Federal Reserve System, household debt stood at \$13,200,000,000,000 at the end of the third quarter of 2010;

Whereas according to the 2011 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, 28 percent, or nearly 64,000,000 adults, admit to not paying all of their bills on time;

Whereas according to the 2011 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, only 43 percent of adults keep close track of their spending, and more than 128,400,000 adults do not know how much they spend on food, housing, and entertainment, and do not monitor their overall spending;

Whereas according to the 2011 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, 1 in 3 adults in the United States, or more than 75,600,000 individuals, report that they have no savings, and only 22 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 seventh Council for Economic Education biennial Survey of the States 2011: Economic, Personal Finance, and Entrepreneurship Education in Our Nation's Schools, only 22 States require students to take an economics course as a high school graduation requirement, and only 16 States require the testing of student knowledge in economics;

Whereas according to the seventh Council for Economic Education biennial Survey of the States 2011: Economic, Personal Finance, and Entrepreneurship Education in Our Nation's Schools, only 12 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 according to the Gallup-Operation HOPE Financial Literacy Index, while 69 percent of American students strongly believe that the best time to save money is now, only 57 percent believe that their parents are saving money for the future;

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 (20 U.S.C. 9701 et seq.), establishing the Financial Literacy and Education Commission: Now, therefore, be it

1 *Resolved*, That the Senate—

2 (1) designates April 2012 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,

- 1 and the people of the United States to observe the
- 2 month with appropriate programs and activities.

