

## **H. Res. 1079**

### ***In the House of Representatives, U. S.,***

*April 29, 2008.*

Whereas personal financial literacy is essential to ensure that individuals are prepared to make informed financial choices, as well as manage money, credit, debt, and risk and become responsible workers, heads of households, investors, entrepreneurs, business leaders, and citizens;

Whereas personal financial management skills and lifelong habits begin to develop during childhood;

Whereas a study completed in 2006 by the Jump\$tart Coalition for Personal Financial Literacy found that high school seniors know less about principles of basic personal finance than did high school seniors 7 years earlier, and the average scores in both years were failing grades;

Whereas the 2007 Survey of the States by the National Council on Economic Education found that 49 States include the subject of economics and 40 States include the subject of personal finance in their elementary and secondary education standards, up from 48 and 31 States, respectively, in 2002;

Whereas 55 percent of college students acquire their first credit card during their first year in college, and 92 percent of college students acquire at least 1 credit card by their second year in college, yet only 26 percent of people

between the ages of 13 and 21 reported that their parents actively taught them how to manage money;

Whereas the personal savings rate in the United States was zero percent at the end of the fourth quarter of 2007, which puts it among the lowest since the government began collecting the data in 1959;

Whereas although more than 42,000,000 people in the United States participate in qualified cash or deferred arrangements described in section 401(k) of the Internal Revenue Code of 1986 (commonly referred to as “401(k) plans”), a Retirement Confidence Survey conducted in 2004 found that only 42 percent of workers surveyed have calculated how much money they will need to save for retirement and 37 percent of workers say that they are not currently saving for retirement;

Whereas the average baby boomer has only \$50,000 in savings apart from equity in their homes;

Whereas a study by the American Institute of Certified Public Accountants found that 55 percent of people between the ages of 25 and 34 maintain an interest-bearing account or other savings instrument, a decrease of 10 percent since 1985;

Whereas the April 2007 National Foundation for Credit Counseling consumer financial literacy survey found that only 39 percent of American consumers keep close track of their expenses; less than half have ordered their credit report; and one-third do not know where to go for financial advice;

Whereas studies show that as many as 10,000,000 households in the United States are “unbanked” or are without access to mainstream financial products and services;

Whereas expanding access to the mainstream financial system provides individuals with lower-cost and safer options for managing finances and building wealth and is likely to lead to increased economic activity and growth;

Whereas public, community-based, and private sector organizations throughout the United States are working to increase financial literacy rates for Americans of all ages and walks of life through a range of outreach efforts, including media campaigns, websites, and one-on-one counseling for individuals;

Whereas at least 6,500 bankers will teach savings skills to young people on April 29, 2008, during Teach Children to Save Day, which was started by the American Bankers Association Education Foundation in April of 1997 and has helped more than 45,000 bankers teach savings skills to nearly 2,300,000 young people;

Whereas staff from America's credit unions will make presentations to young people at local schools on financial topics such as student loans, balancing a checkbook, and auto loans during National Credit Union Youth Week, which will be held April 20–26, 2008;

Whereas Members of the United States House of Representatives established the Financial and Economic Literacy Caucus (FELC) in February 2005 to (1) provide a forum for interested Members of Congress to review, discuss and recommend financial and economic literacy policies, legislation, and programs, (2) collaborate with the private sector, and nonprofit and community-based organizations, and (3) organize and promote financial literacy legislation, seminars, and events, such as “Financial Literacy Month” in April, 2008, and the annual “Financial Literacy Day” fair on April 28, 2008; and

Whereas the National Council on Economic Education, its State Councils and Centers for Economic Education, the Jump\$tart Coalition for Personal Financial Literacy, its State affiliates, and its partner organizations, and JA Worldwide have designated April as Financial Literacy Month to educate the public about the need for increased financial literacy for youth and adults in the United States: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) supports the goals and ideals of Financial Literacy Month, including raising public awareness about financial education;

(2) recognizes the importance of managing personal finances, increasing personal savings and reducing indebtedness in the United States; and

(3) requests that the President issue a proclamation calling on the Federal Government, States, localities, schools, nonprofit organizations, businesses, other entities, and the people of the United States to observe the month with appropriate programs and activities with the goal of increasing financial literacy rates for individuals of all ages and walks of life.

Attest:

*Clerk.*