

113TH CONGRESS
1ST SESSION

H. RES. 172

Supporting the goals and ideals of “Financial Literacy Month”.

IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 2013

Mr. HINOJOSA (for himself, Mr. STIVERS, Ms. SEWELL of Alabama, Mr. CARTWRIGHT, and Ms. EDDIE BERNICE JOHNSON of Texas) submitted the following resolution; which was referred to the Committee on Oversight and Government Reform

RESOLUTION

Supporting the goals and ideals of “Financial Literacy Month”.

Whereas personal financial literacy is essential to ensure that individuals are prepared to make informed financial choices so that they can become successful heads of household, investors, entrepreneurs, and business leaders;

Whereas financial education is the first line of defense against financial fraud and securing a prosperous future;

Whereas according to the Federal Deposit Insurance Corporation, at least 28.3 percent of households in the United States, or close to 33,000,000 households with approximately 66,000,000 adults, are unbanked or underbanked and, subsequently, have missed opportunities for savings, lending, and basic financial services;

Whereas almost 55.3 percent of Black households, and 48.7 percent of Hispanic households are either unbanked or underbanked;

Whereas according to the 2012 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, 42 percent of adults in the United States, gave themselves a grade of C, D, or F on their knowledge of personal finance;

Whereas according to the United States courts figures on bankruptcy filings, personal bankruptcy filings reached over 1,500,000 in 2010, the highest number since 2005, more than 1,400,000 in 2011, and more than 1,200,000 in 2012;

Whereas the 2012 Retirement Confidence Survey conducted by the Employee Benefit Research Institute found that only 14 percent of workers were “very confident” about having enough money for a comfortable retirement, up only 1 percent point from the previous year, a sharp decline in worker confidence from the 27 percent of workers who were “very confident” in 2007;

Whereas according to the 2012 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 2012 “Flow of Funds” report by the Board of Governors of the Federal Reserve System, household debt stood at \$12,800,000,000,000 at the end of the fourth quarter of 2012;

Whereas according to the 2012 Consumer Financial Literacy Survey Final Report of the National Foundation for

Credit Counseling, 33 percent, or more than 77,000,000 adults, admit to not paying all of their bills on time, a dramatic increase from 28 percent or 64,000,000 adults in 2011;

Whereas according to the 2012 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 22 percent of adults do not know how much they spend on food, housing, and entertainment, and do not monitor their overall spending;

Whereas according to the 2012 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling, 39 percent of adults in the United States, report that they have no savings, and only 2 in 5 adults are saying they are saving less in 2012 than the year before, the proportion of adults who have savings has declined from 67 percent in 2010 to 64 percent in 2011 down to 59 percent in 2012;

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 2013 Girl Scout Research Institute’s report, “Having It All: Girls & Financial Literacy”, 90 percent of girls say it is important to learn how to manage money but just 12 percent say they feel confident in making financial decisions;

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, establishing the Financial Literacy and Education Commission: Now, therefore, be it

1 *Resolved*, That the House of Representatives—

1 (1) supports the goals and ideals of “Financial
2 Literacy Month”, to raise public awareness about—

3 (A) the importance of personal financial
4 education in the United States; and

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

8 (2) calls on the Federal Government, States, lo-
9 calities, schools, nonprofit organizations, businesses,
10 and the people of the United States to support the
11 goals and ideals of “Financial Literacy Month” with
12 appropriate programs and activities.

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