

113TH CONGRESS
1ST SESSION

S. RES. 105

Designating April 2013 as “Financial Literacy Month”.

IN THE SENATE OF THE UNITED STATES

APRIL 23, 2013

Mr. REED (for himself, Mr. ENZI, Mr. MERKLEY, Mr. CRAPO, Mr. JOHNSON of South Dakota, Mr. BARRASSO, Mrs. MURRAY, Mr. COCHRAN, Mr. CARDIN, Mr. WICKER, Mrs. HAGAN, Mr. BLUNT, Mr. DURBIN, Ms. WARREN, Mr. FRANKEN, Mr. COONS, Mr. BAUCUS, Mr. JOHNSON of Wisconsin, Mr. BROWN, Mr. LAUTENBERG, Mr. WARNER, and Ms. LANDRIEU) submitted the following resolution; which was considered and agreed to

RESOLUTION

Designating April 2013 as “Financial Literacy Month”.

Whereas, according to the Federal Deposit Insurance Corporation (referred to in this preamble as the “FDIC”), at least 28.3 percent of households in the United States, or nearly 34,000,000 households with approximately 67,888,000 adults, are unbanked or underbanked and therefore have not had the opportunity to access savings, lending, and other basic financial services;

Whereas, according to the FDIC, approximately 30 percent of banks reported in 2011 that consumers lacked understanding of the financial products and services banks offered;

Whereas, according to the 2012 Consumer Financial Literacy Survey Final Report of the National Foundation for Credit Counseling—

(1) approximately 42 percent of, or nearly 98,000,000, adults in the United States gave themselves a grade of C, D, or F on their knowledge of personal finance, and 4 out of every 5 adults admitted that they could benefit from additional advice and answers to everyday financial questions from a professional;

(2) the number of adults in the United States who admit to not paying their bills on time has increased from 28 percent in 2011 to 33 percent, or nearly 77,000,000, in 2012;

(3) only 43 percent of adults in the United States keep close track of their spending, and more than 13,000,000 adults do not know how much they spend on food, housing, and entertainment, and do not monitor their overall spending; and

(4) 2 out of every 5 adults in the United States, or more than 93,000,000, are saving less than they did in 2011, and approximately 39 percent of adults report that they have no non-retirement savings;

Whereas the 2012 Retirement Confidence Survey conducted by the Employee Benefit Research Institute found that—

(1) only 14 percent of workers were “very confident” about having enough money for a comfortable retirement, which is a sharp decline in worker confidence from the 27 percent of workers who were “very confident” in 2007; and

(2) approximately 56 percent of workers say they or their spouses have not calculated the amount of money 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, aggregate household debt in the United States was \$12,800,000,000 at the end of the fourth quarter of 2012;

Whereas, according to the Survey of the States 2011: Economic, Personal Finance, and Entrepreneurship Education in Our Nation’s Schools, a biennial report by the Council for Economic Education—

(1) only 22 States require students to take an economics course as a high school graduation requirement;

(2) only 16 States require testing student knowledge of economics; and

(3) 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, only 54 percent of students in the United States have money in a bank or credit union account;

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 household, 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 determined that coordinating Federal financial literacy efforts and formulating a national strategy is important; and

Whereas, in light of that determination, 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 2013 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 Fi-
12 nancial Literacy Month with appropriate programs
13 and activities.

○