

118TH CONGRESS
1ST SESSION

H. RES. 392

Encouraging greater public-private sector collaboration to promote financial literacy for students and young adults.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2023

Mr. FOSTER (for himself and Mr. HILL) submitted the following resolution;
which was referred to the Committee on Financial Services

RESOLUTION

Encouraging greater public-private sector collaboration to promote financial literacy for students and young adults.

Whereas personal financial literacy is essential to ensuring that individuals are prepared to make informed decisions about budgeting, financial planning, wealth accumulation, higher education loans, 529 savings plans, managing credit cards, and managing other debt;

Whereas many young people are ill-equipped to handle major financial decisions in an increasingly complex financial marketplace;

Whereas personal financial management skills begin to develop during childhood;

Whereas, according to the report of the Girl Scout Research Institute entitled “Having it All: Girls and Financial Lit-

eracy”, only 12 percent of girls feel very confident about making financial decisions;

Whereas the move away from traditional pensions and toward defined contribution plans requires more financial education, so workers need to be equipped with the financial aptitude to not only save and accumulate assets, but also to turn those assets into lifetime income;

Whereas the Council for Economic Education found that only 22 States require high schools to offer some type of personal finance course and only 17 States require that course for high school graduation;

Whereas a longitudinal research study by the University of Arizona found that high school and college students who have been exposed to ongoing financial education show an increase in financial knowledge;

Whereas the Bureau of Consumer Financial Protection was created to educate consumers and help consumers make better-informed financial decisions by helping make the financial markets safer for consumers, increasing transparency to enable individuals to compare products and make informed decisions, and promoting policies that help consumers improve their financial knowledge and capability;

Whereas the Bureau issued a report in 2016 that included a number of recommendations to improve financial literacy for students;

Whereas section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5452) directs the Federal financial regulatory agencies to partner with high schools in targeted areas to help promote financial literacy and to create “industry internships, summer em-

ployment, and full-time positions” for talented minorities and women;

Whereas the 2015 National Financial Capability Study, developed in consultation with the Department of the Treasury and President Obama’s Advisory Council on Financial Capability, updates key measures from the 2009 National Financial Capability Study of American adults and deepens the exploration of topics that are highly relevant today, including student loans and medical debt;

Whereas the Money as You Learn initiative, a coalition of non-profit and for profit organizations, teachers, and academics, provides concrete tools for educators to show how personal finance can provide appropriate context and content for mathematics and English language arts teaching;

Whereas the Federal Reserve System offers publications in English and Spanish that provide consumers tips on a broad range of topics, from avoiding mortgage foreclosure scams to managing a checking account; and

Whereas a study conducted by Daniel Fernandes, John G. Lynch, Jr., and Richard Netemeyer entitled “Financial Literacy, Financial Education and Downstream Financial Behaviors” found that it “is best to provide assistance just before a decision is made in what is known as ‘just-in-time education’”: Now, therefore, be it

- 1 *Resolved*, That the House of Representatives—
- 2 (1) emphasizes the importance of raising aware-
- 3 ness of individual financial capability by providing
- 4 relevant information, financial workshops, and other
- 5 decision-making tools to consumers of all ages;

1 (2) reaffirms the purposes of section 342 of the
2 Dodd-Frank Act (12 U.S.C. 5452), which directs
3 Federal financial agencies to partner with organiza-
4 tions that are focused on developing opportunities
5 for minorities and women to place talented young
6 minorities and women in industry internships, sum-
7 mer employment, and full-time positions;

8 (3) supports the efforts of the Bureau of Con-
9 sumer Finance Protection to provide consumers with
10 relevant information and decision-making tools re-
11 garding important financial decisions; and

12 (4) urges the Department of the Treasury to
13 consult with the Financial Industry Regulatory Au-
14 thority and implement future national financial ca-
15 pability studies.

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