114TH CONGRESS
2D SESSION

S. RES. 427

Designating April 2016 as ''Financial Literacy Month''.

IN THE SENATE OF THE UNITED STATES

APRIL 14, 2016

Mr. REED (for himself, Mr. SCOTT, Mr. DONNELLY, Mr. KIRK, Mr. DURBIN, Mr. COTTON, Mr. COCHRAN, Mr. ENZI, Ms. KLOBUCHAR, Mr. BLUNT, Mr. BARRASSO, Mr. BROWN, Mr. FRANKEN, Mr. CARDIN, Mr. CARPER, Mr. CRAPO, Mr. MORAN, Mrs. MURRAY, Mrs. FEINSTEIN, Mr. BOOZMAN, Mrs. BOXER, Ms. HEITKAMP, Mr. PETERS, Mr. DAINES, Mr. INHOFE, Mr. SCHATZ, Mr. MENENDEZ, Mr. WICKER, and Mr. COONS) submitted the following resolution; which was considered and agreed to

RESOLUTION

Designating April 2016 as ''Financial Literacy Month''.

Whereas according to the Federal Deposit Insurance Corporation (referred to in this preamble as the ''FDIC''), at least 27.7 percent of households in the United States, or nearly 34,400,000 households with approximately 67,600,000 adults, are unbanked or underbanked and therefore have not had an 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 an understanding of the financial products and services banks offered;

Whereas according to the 2015 Consumer Financial Literacy Survey final report of the National Foundation for Credit Counseling—

(1) approximately 41 percent of adults in the United States gave themselves a grade of "C", "D", or "F" on their knowledge of personal finance;

(2) 75 percent of adults in the United States acknowledged that they could benefit from additional advice and answers to everyday financial questions from a professional;

(3) 24 percent of adults in the United States, or approximately 56,300,000 individuals, admitted to not paying bills on time;

(4) 1 in 3 households reported carrying credit card debt from month to month;

(5) only 39 percent of adults in the United States reported keeping close track of their spending, a percentage that held steady since 2007; and

(6) 13 percent of adults in the United States identified not having enough "rainy day" savings for an emergency, and 15 percent of adults in the United States identified not having enough money set aside for retirement, as the most worrisome area of personal finance;

Whereas the 2015 Retirement Confidence Survey conducted by the Employee Benefit Research Institute found that 24 percent of workers were "not at all confident" that they had enough money to retire;

Whereas according to the statistical release of the Board of Governors of the Federal Reserve System for the fourth quarter of 2015 entitled "Financial Accounts of the United States: Flow of Funds, Balance Sheets, and Integrated Macroeconomic Accounts", outstanding household debt in the United States was $14,200,000,000,000 at the end of the fourth quarter of 2015;

Whereas according to the 2016 Survey of the States: Economic and Personal Finance Education in Our Nation's Schools, a biennial report by the Council for Economic Education—

(1) only 20 States require students to take an economics course as a high school graduation requirement; and

(2) only 17 States require students to take a personal finance course as a high school graduation requirement, either independently or as part of an economics course;

Whereas according to the Gallup-HOPE Index, only 52 percent of students in the United States have money in a bank or credit union account;

Whereas expanding access to the safe, 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—

(1) to manage money, credit, and debt; and

(2) 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; and

Whereas, in 2003, Congress—

(1) determined that coordinating Federal financial literacy efforts and formulating a national strategy is important; and

(2) in light of that determination, 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

Resolved, That the Senate—

(1) designates April 2016 as "Financial Literacy Month" to raise public awareness about—

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

(B) the serious consequences that may result from a lack of understanding about personal finances; and

(2) calls on the Federal Government, States, localities, schools, nonprofit organizations, businesses, and the people of the United States to observe Financial Literacy Month with appropriate programs and activities.

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