

JAN 24 2007

SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF EDUCATION TO ADD A MANDATORY ONE
SEMESTER COURSE IN ECONOMIC AND FINANCIAL MANAGEMENT
LITERACY TO THE EXISTING PUBLIC HIGH SCHOOL CURRICULUM.

1 WHEREAS, forty per cent of Americans indicate that they
2 live beyond their financial means; and
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4 WHEREAS, the personal savings rate of Americans in 2005 was
5 negative 0.5 per cent, marking the first time that the rate has
6 been negative since the Great Depression in 1932 and 1933, which
7 means that Americans spent all of their disposable income and
8 dipped into past savings or increased their borrowing; and
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10 WHEREAS, Americans paid more than \$24,000,000,000 in credit
11 card fees in 2004, an eighteen per cent increase over the
12 previous year; and
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14 WHEREAS, young adults between twenty-five and thirty-four
15 years of age have the highest rate of bankruptcy, just after
16 those between thirty-five and forty-four years of age; and
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18 WHEREAS, a 2004 study by the Jump\$tart Coalition for
19 Personal Financial Literacy found that although high school
20 seniors scored higher than their previous class on an exam about
21 credit cards, retirement funds, insurance, and other personal
22 finance basics, sixty-five per cent of all participating
23 students still failed the exam; and
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25 WHEREAS, only twenty-six per cent of individuals who were
26 between the ages of thirteen and twenty-one reported that their
27 parents actively taught them how to manage money; and
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29 WHEREAS, a 2004 survey of states by the National Council on
30 Economic Education found that forty-nine states include the
31 subject of economics in their elementary and secondary education



1 standards, and thirty-eight states include standards on personal
2 finance; and

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4 WHEREAS, although Hawaii requires that personal finance be
5 included as part of its public school educational standards, it
6 does not require that personal finance courses be offered or
7 that students be tested on the subject; and

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9 WHEREAS, personal financial education is essential to
10 ensure that our youth are prepared to manage money, credit, and
11 debt and to become responsible workers, heads of households,
12 investors, entrepreneurs, business leaders, and citizens; and

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14 WHEREAS, research indicates that as few as ten hours of
15 personal financial education positively impacts students'
16 spending and savings habits; and

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18 WHEREAS, it is of the utmost importance to educate Hawaii's
19 youth in economic and financial matters to prepare them for
20 financial independence through the development of fiscal
21 responsibility and financial management skills in an
22 increasingly complex national and global economy; now,
23 therefore,

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25 BE IT RESOLVED by the Senate of the Twenty-fourth
26 Legislature of the State of Hawaii, Regular Session of 2007, the
27 House of Representatives concurring, that the Department of
28 Education is requested to add a mandatory one semester course in
29 economic and financial management literacy to the existing
30 public high school curriculum; and

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32 BE IT FURTHER RESOLVED that certified copies of this
33 Concurrent Resolution be transmitted to the Chairperson of the
34 Board of Education and the Superintendent of Education.

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37 OFFERED BY: Will Espero

J. Paul Ego
Ron B. Hui

Amil Y. J.

Carol Fukumaga
Chunm. S. S.
Quia L.

