

MAR 13 2007

SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF EDUCATION TO EVALUATE AND STUDY THE
POSSIBILITY OF IMPLEMENTING A FINANCIAL LITERACY CURRICULUM
IN PUBLIC MIDDLE AND HIGH SCHOOLS.

1 WHEREAS, although a 2004 study by the Jump\$tart Coalition
2 for Personal Financial Literacy found an increase in high school
3 seniors scores on an exam about credit cards, retirement funds,
4 insurance, and other personal finance basics, sixty-five per
5 cent of all participating students still failed the exam; and
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7 WHEREAS, only twenty-six per cent of individuals between
8 the ages of thirteen and twenty-one reported that their parents
9 actively taught them how to manage money; and
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11 WHEREAS, a 2004 survey of states by the National Council on
12 Economic Education found that forty-nine states include the
13 subject of economics in their elementary and secondary education
14 standards, and thirty-eight states include standards on personal
15 finance; and
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17 WHEREAS, although Hawaii requires that personal finance be
18 included as part of its public school educational standards, it
19 does not require that personal finance courses be offered or
20 that students be tested on the subject; and
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22 WHEREAS, learning personal finance and money management
23 skills in childhood may lead to better management of one's
24 personal financial assets in adulthood; and
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26 WHEREAS, Americans paid more than \$24,000,000,000 in credit
27 card fees in 2004, an eighteen per cent increase over the
28 previous year, with forty per cent of Americans indicating that
29 they live beyond their financial means; and
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31 WHEREAS, the personal savings rate of Americans in 2005 was
32 negative 0.5 per cent, marking the first time that the rate has
33 been negative since the Great Depression in 1932 and 1933, which
34 means that Americans spent all of their disposable income and
35 dipped into past savings or increased their borrowing; and



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2 WHEREAS, young adults between twenty-five and thirty-four
3 years of age have the second highest rate of bankruptcy, just
4 after those between thirty-five and forty-four years of age; and
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6 WHEREAS, research indicates that as few as ten hours of
7 personal financial education positively impacts students'
8 spending and savings habits; and
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10 WHEREAS, it is of the utmost importance to educate Hawaii's
11 youth in economic and financial matters to prepare them for
12 financial independence through the development of fiscal
13 responsibility and financial management skills in an
14 increasingly complex national and global economy; now,
15 therefore,
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17 BE IT RESOLVED by the Senate of the Twenty-fourth
18 Legislature of the State of Hawaii, Regular Session of 2007,
19 that the Department of Education is requested to evaluate the
20 possibility of implementing a mandatory financial literacy
21 curriculum in public middle and high schools; and
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23 BE IT FURTHER RESOLVED that the Department of Education is
24 requested to report its findings and recommendations to the
25 Legislature not later than twenty days before the convening of
26 the Regular Session of 2008; and
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28 BE IT FURTHER RESOLVED that certified copies of this
29 Resolution be transmitted to the Chairperson of the Board of
30 Education and the Superintendent of Education.
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