

1-1 By: Woolley, et al. (Senate Sponsor - Janek) H.C.R. No. 15
1-2 (In the Senate - Received from the House April 3, 2003;
1-3 April 7, 2003, read first time and referred to Committee on
1-4 Education; May 19, 2003, reported favorably by the following vote:
1-5 Yeas 6, Nays 0; May 19, 2003, sent to printer.)

1-6 HOUSE CONCURRENT RESOLUTION

1-7 WHEREAS, The Texas Education Code sets forth the required
1-8 public school curriculum by specifying the subject areas that
1-9 constitute the foundation curriculum and those that constitute an
1-10 enrichment curriculum, and it requires the State Board of Education
1-11 to identify the essential knowledge and skills of each of those
1-12 subjects that all students should be able to demonstrate; and

1-13 WHEREAS, Including economics among the subjects in the
1-14 enrichment curriculum, the Education Code places emphasis on the
1-15 free enterprise system and its benefits; the code also declares
1-16 that the primary purpose of the public school curriculum is to
1-17 prepare thoughtful, active citizens who "can function productively
1-18 in a free enterprise society"; and

1-19 WHEREAS, Unfortunately, at a time when worker efficiency is
1-20 essential to our nation's success in the global marketplace, family
1-21 financial difficulties are reducing productivity for too many
1-22 workers, adversely affecting their physical and mental health as
1-23 well as the social and economic well-being of their families; and

1-24 WHEREAS, Individuals and families who can handle the complex
1-25 financial decisions of daily life experience an enhanced quality of
1-26 life; they have the personal satisfaction of being in control of
1-27 their lives, are more likely to be satisfied with their social and
1-28 economic environment, and are less likely to need government
1-29 assistance; and

1-30 WHEREAS, A number of recent surveys suggest that consumer
1-31 education has not kept up with the rapid changes in the marketplace
1-32 and that many Americans have not yet reached a desirable level of
1-33 knowledge and skill in managing personal financial resources; and

1-34 WHEREAS, A 1990 comprehensive test of adult consumer
1-35 knowledge sponsored by the Consumer Federation of America and the
1-36 TRW Foundation revealed significant gaps and raised serious
1-37 concerns about the extremely low levels of basic consumer
1-38 knowledge; and

1-39 WHEREAS, A 1992 U.S. Department of Education study of
1-40 literacy skills revealed that only a small percentage of Americans
1-41 over the age of 15 could do moderately complex tasks needed to
1-42 function in the marketplace; between 40 and 44 million Americans
1-43 were unable to calculate the total cost of a purchase, determine the
1-44 price difference between two items, or complete a simple form; and

1-45 WHEREAS, Two other surveys, sponsored by the Consumer
1-46 Federation of America and the American Express Travel Related
1-47 Services Company, tested the consumer knowledge of high school and
1-48 college students across the United States; the results indicated
1-49 that American high school and college students have surprisingly
1-50 little consumer know-how, and many lack the basic knowledge and
1-51 skills needed to make important personal financial decisions they
1-52 will face as adults; and

1-53 WHEREAS, The Jump\$tart Coalition for Personal Financial
1-54 Literacy, a coalition of public, private, and nonprofit
1-55 organizations, determined that the average high school graduate
1-56 lacks basic skills in the management of personal financial affairs,
1-57 with many young adults unable to balance a checkbook and having no
1-58 insight into the basic survival principles involved in earning,
1-59 spending, saving, and investing; and

1-60 WHEREAS, Overall, the results of these and other tests and
1-61 surveys measuring the consumer competency of Americans reveal
1-62 glaring deficiencies; consequently, many young people fail in the
1-63 management of their first consumer credit experience, establish bad
1-64 financial management habits, and stumble through life learning by

2-1 trial and error; and
2-2 WHEREAS, Responding to this situation, the U.S. Department of
2-3 the Treasury recently established an Office of Financial Education
2-4 (OFE) with the goal of providing all Americans with the practical
2-5 financial knowledge and skills they need to make informed
2-6 decisions; in May 2002, the secretaries of the U.S. Treasury and
2-7 Education departments held a panel discussion with representatives
2-8 of several national organizations, and in October 2002, OFE issued
2-9 a white paper on the discussion entitled Integrating Financial
2-10 Education Into School Curricula; and

2-11 WHEREAS, The paper notes that the best and most obvious
2-12 starting place for providing financial education to young people is
2-13 in the schools; it cites the No Child Left Behind Act of 2001, which
2-14 also recognized the importance of financial education, and it
2-15 points out that states can impose requirements that publishers
2-16 demonstrate how their materials incorporate financial concepts
2-17 into other subjects; now, therefore, be it

2-18 RESOLVED, That the 78th Legislature of the State of Texas
2-19 hereby direct the State Board of Education to implement the
2-20 inclusion of elements relating to personal finance among the
2-21 essential knowledge and skills in the required public school
2-22 curriculum, and to adopt and promote a personal finance education
2-23 program that provides public school districts with textbook
2-24 selections to assist in the program's implementation; and, be it
2-25 further

2-26 RESOLVED, That the Texas Education Agency and the State Board
2-27 of Education, in cooperation with school administrators, teachers,
2-28 parents, business leaders, and concerned citizens, immediately
2-29 begin:

2-30 (1) exploring ways to teach in a meaningful way a
2-31 financial literacy program that includes such topics as budgeting,
2-32 consumer economics, insurance, investing principles, managing
2-33 credit, monetary policy, financial planning, retirement savings,
2-34 consumer loans, and mortgages; and

2-35 (2) reviewing existing financial literacy programs
2-36 and materials that are available, with the aim of formalizing a
2-37 personal money management course; and, be it further

2-38 RESOLVED, That the State Board of Education submit a full
2-39 report concerning the inclusion of elements relating to personal
2-40 finance among the essential knowledge and skills in the required
2-41 public school curriculum to the Texas Legislature no later than
2-42 September 30, 2004; and, be it further

2-43 RESOLVED, That the secretary of state forward an official
2-44 copy of this resolution to the chair of the State Board of Education
2-45 and the commissioner of education of the Texas Education Agency.

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