WHEREAS, Personal financial literacy is essential in making the decisions required of all individuals in everyday life and is a crucial part of becoming a responsible worker, business leader, head of household, and citizen; and

WHEREAS, The ability to manage money effectively is a lifelong skill that develops at a young age; however, this vital subject often goes unaddressed in the classroom, as fewer than one-third of all states mandate a course on personal finance to be offered in high schools; and

WHEREAS, In 2008, the National Jump$tart Coalition tested nearly 7,000 12th-grade students on their level of financial literacy, resulting in a mean score of 48.3 percent, the lowest recorded in the history of the survey; this represented a drop of 10 percent from the baseline survey of 1997-1998; and

WHEREAS, A lack of adequate financial education can have far-reaching effects on a young person's future, particularly as he or she enters college; according to a 2009 survey of multiple university campuses, students ranked poorly in financial knowledge along such metrics as budgeting, retirement planning, and credit use, despite the fact that the majority used credit cards; this problem is especially acute when considering the alarming rate of credit card debt among college students, with the average student claiming $4,100 in debt in 2009, compared to just under $950 in 2004; and
WHEREAS, Personal financial literacy continues to be a component of success and well-being in adulthood, yet studies show that American adults are often ill-prepared for long-term monetary concerns; the national personal savings rate fell sharply in the years spanning 1980 to 2007 and remains low to this day, at 4.6 percent of disposable income; in addition, the 2013 Retirement Confidence Survey found that only 66 percent of Americans reported saving funds for retirement, down from 75 percent in 2009; and

WHEREAS, Research has shown a link between financial literacy and higher net worth, improved spending and saving habits, lower delinquency rates for mortgage borrowers, and higher participation rates in retirement plans; moreover, students from states with a required financial education course were found to more often display behaviors conducive to healthy money management; compared to other young adults, they are more likely to save, pay off their credit cards in full each month, and take modest financial risks, and they are less likely to reach the maximum limit on their credit cards, make late payments, and engage in compulsive buying; and

WHEREAS, Public, community, and private sector organizations around the country are working to increase financial literacy rates for Americans of all ages through media campaigns, websites, and one-on-one counseling; as part of this outreach effort, a number of agencies and groups have designated the month of April as Financial Literacy Month to highlight the importance of personal finance education and to encourage Americans to establish and maintain good saving and spending habits; and

WHEREAS, Far from being issues of individual responsibility,
personal financial knowledge and awareness have broad implications for the economic welfare of our state and nation; the observance of Financial Literacy Month is a timely reminder of the right and obligation of all Texans to build on their understanding of fiscal matters in order to safeguard the future of their families and of society at large; now, therefore, be it

RESOLVED, That the 83rd Legislature of the State of Texas hereby designate April as Texas Personal Financial Literacy Month; and, be it further

RESOLVED, That in accordance with the provisions of Section 391.004(d), Government Code, this designation remains in effect until the 10th anniversary of the date this resolution is passed.

Farney
H.C.R. No. 111

I certify that H.C.R. No. 111 was adopted by the House on May 8, 2013, by the following vote: Yeas 147, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.C.R. No. 111 was adopted by the Senate on May 22, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: ____________________

Date

Governor