

JAN 24 2007

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# 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

3  
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

9  
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

13  
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

24  
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

28  
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

8  
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

13  
14 WHEREAS, research indicates that as few as ten hours of  
15 personal financial education positively impacts students'  
16 spending and savings habits; and

17  
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,

24  
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

31  
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. Alan Egler*  
*Tom Hume*

*Amil J. J.*  
*Carol Fukunaga*  
*Ann M. Sloan*  
*Quia L.*