

JAN 23 2008

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# SENATE CONCURRENT RESOLUTION

REQUESTING THE BOARD OF EDUCATION TO INCLUDE QUESTIONS IN THE  
HAWAII STATE ASSESSMENT TESTS THAT REQUIRE THE  
DEMONSTRATION OF A MASTERY OF FINANCIAL LITERACY CONCEPTS.

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 the ages of twenty-five and  
15 thirty-four have the highest rate of bankruptcy, just after  
16 those between the ages of thirty-five and forty-four; 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 examination; and  
24

25           WHEREAS, only twenty-six per cent of individuals between  
26 the ages of thirteen and twenty-one reported that their parents  
27 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

3  
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 or 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 saving 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; and

23  
24 WHEREAS, under the No Child Left Behind Act of 2001, states  
25 are required to set accountability standards for elementary and  
26 secondary schools to demonstrate proficiency and progress; and

27  
28 WHEREAS, accordingly, Hawaii has implemented the Hawaii  
29 State Assessment tests, which are administered to students in  
30 grades three, four, five, six, seven, eight, and ten each year,  
31 the results of which are used to determine Adequate Yearly  
32 Progress as mandated by the No Child Left Behind Act of 2001;  
33 and

34  
35 WHEREAS, the inclusion of questions in the Hawaii State  
36 Assessment tests to assess and ensure that students possess a  
37 mastery of financial literacy concepts would be an appropriate  
38 method for ensuring financial literacy is taught at the  
39 elementary and secondary educational levels; now, therefore,

40  
41 BE IT RESOLVED by the Senate of the Twenty-fourth  
42 Legislature of the State of Hawaii, Regular Session of 2008, the  
43 House of Representatives concurring, that the Board of Education  
44 is requested to include in the Hawaii State Assessment tests



# S.C.R. NO. 19

1 questions requiring a student's demonstration of knowledge and  
2 the mastery of financial literacy concepts appropriate for each  
3 grade level tested; and  
4

5 BE IT FURTHER RESOLVED that each public school should be  
6 allowed to incorporate financial literacy education into its  
7 curriculum as each school deems appropriate, whether that be  
8 through increased grade advancement or graduation requirements  
9 or through the incorporation of financial literacy concepts into  
10 the study of other established subject areas already part of the  
11 current curriculum; and  
12

13 BE IT FURTHER RESOLVED that the Board of Education submit a  
14 report of its plans for or integration of financial literacy  
15 questions into the Hawaii State Assessment tests to the  
16 Legislature at least twenty days prior to the convening of the  
17 Regular Session of 2009; and  
18

19 BE IT FURTHER RESOLVED that certified copies of this  
20 Concurrent Resolution be transmitted to the Chair of the Board  
21 of Education and the Superintendent of Education.  
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23  
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OFFERED BY: *Franne Chun Oalland*

