

HOUSE RESOLUTION NO. 148

BY JENKINS

1 A Resolution urging the Iowa department of education
2 to integrate the principles of basic personal finance
3 into the public school curricula in Iowa.

4 WHEREAS, basic personal financial management,
5 including the principles of saving, spending, credit,
6 investment, taxes, and insurance, is an essential life
7 skill necessary to the well-being of all Iowans; and

8 WHEREAS, an October 2002 white paper prepared by
9 the United States department of the treasury's office
10 of financial education titled Integrating Financial
11 Education into School Curricula (the "white paper")
12 states that the average American was able to answer
13 only 42 percent of the questions on a personal
14 financial quiz correctly, that four out of 10
15 Americans admitted that they are living beyond their
16 means because of their misuse and misunderstanding of
17 credit, and that personal bankruptcy filings more than
18 doubled between 1990 and 2000; and

19 WHEREAS, the 2004 fourth biennial survey of
20 financial literacy by the Jumpstart Coalition for
21 Personal Financial Literacy found 65.5 percent of high
22 school seniors with failing scores, representing an
23 increase from the 44.2 percent of high school seniors
24 with failing scores in 1998; and

25 WHEREAS, according to the department of treasury's
26 white paper, it is estimated that America's youth
27 spend approximately \$150 billion annually; and

28 WHEREAS, like other complex and destabilizing

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1 social phenomena confronting today's youth, personal
2 finance presents more difficult choices and pitfalls
3 than experienced by previous generations, yet public
4 education in this critical life skill has not
5 increased to meet the challenge; and

6 WHEREAS, a high school financial education course,
7 including an instructor's manual, student workbook,
8 and supplemental materials, has been developed by the
9 National Endowment for Financial Education and is
10 available at no cost to schools; and

11 WHEREAS, experience has shown that students will
12 respond to well-executed life skills programs that
13 have direct, practical application to their daily
14 lives; and

15 WHEREAS, the personal financial responsibility and
16 well-being of the emerging generation will be
17 essential to the overall health and well-being of
18 Iowa's future economic and social condition; and

19 WHEREAS, the general assembly recognizes that Iowa
20 law invests the Iowa department of education with the
21 primary responsibility for supervising public
22 education at the primary and secondary levels, which
23 responsibility includes the authority to adopt
24 accreditation standards for public schools; NOW
25 THEREFORE,

26 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,
27 That the House of Representatives urges the Iowa
28 department of education, in cooperation with school
29 administrators, teachers, parents, business leaders,
30 concerned citizens, and business-oriented educational

1 programs such as Junior Achievement, to immediately
2 begin:

3 1. Exploring ways to include in the public school
4 curricula a financial literacy program that includes
5 such topics as budgeting, consumer economics,
6 insurance, investing principles, managing credit,
7 monetary policy, financial planning, retirement
8 savings, consumer loans, and mortgages; and

9 2. Reviewing existing financial literacy programs
10 and materials that are available, with the aim of
11 formalizing a personal financial management course;
12 and

13 BE IT FURTHER RESOLVED, That the department of
14 education is encouraged to submit a full report
15 concerning the inclusion of elements relating to
16 personal finance as part of the essential knowledge
17 and skills in the required public school curricula to
18 the general assembly by January 1, 2007.

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