

HOUSE CONCURRENT RESOLUTION

1           WHEREAS, The Texas Education Code sets forth the required  
2 public school curriculum by specifying the subject areas that  
3 constitute the foundation curriculum and those that constitute an  
4 enrichment curriculum, and it requires the State Board of Education  
5 to identify the essential knowledge and skills of each of those  
6 subjects that all students should be able to demonstrate; and

7           WHEREAS, Including economics among the subjects in the  
8 enrichment curriculum, the Education Code places emphasis on the  
9 free enterprise system and its benefits; the code also declares  
10 that the primary purpose of the public school curriculum is to  
11 prepare thoughtful, active citizens who "can function productively  
12 in a free enterprise society"; and

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

18           WHEREAS, Individuals and families who can handle the complex  
19 financial decisions of daily life experience an enhanced quality of  
20 life; they have the personal satisfaction of being in control of  
21 their lives, are more likely to be satisfied with their social and  
22 economic environment, and are less likely to need government  
23 assistance; and

24           WHEREAS, A number of recent surveys suggest that consumer

1 education has not kept up with the rapid changes in the marketplace  
2 and that many Americans have not yet reached a desirable level of  
3 knowledge and skill in managing personal financial resources; and

4 WHEREAS, A 1990 comprehensive test of adult consumer  
5 knowledge sponsored by the Consumer Federation of America and the  
6 TRW Foundation revealed significant gaps and raised serious  
7 concerns about the extremely low levels of basic consumer  
8 knowledge; and

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

15 WHEREAS, Two other surveys, sponsored by the Consumer  
16 Federation of America and the American Express Travel Related  
17 Services Company, tested the consumer knowledge of high school and  
18 college students across the United States; the results indicated  
19 that American high school and college students have surprisingly  
20 little consumer know-how, and many lack the basic knowledge and  
21 skills needed to make important personal financial decisions they  
22 will face as adults; and

23 WHEREAS, The Jump\$tart Coalition for Personal Financial  
24 Literacy, a coalition of public, private, and nonprofit  
25 organizations, determined that the average high school graduate  
26 lacks basic skills in the management of personal financial affairs,  
27 with many young adults unable to balance a checkbook and having no

1 insight into the basic survival principles involved in earning,  
2 spending, saving, and investing; and

3 WHEREAS, Overall, the results of these and other tests and  
4 surveys measuring the consumer competency of Americans reveal  
5 glaring deficiencies; consequently, many young people fail in the  
6 management of their first consumer credit experience, establish bad  
7 financial management habits, and stumble through life learning by  
8 trial and error; and

9 WHEREAS, Responding to this situation, the U.S. Department of  
10 the Treasury recently established an Office of Financial Education  
11 (OFE) with the goal of providing all Americans with the practical  
12 financial knowledge and skills they need to make informed  
13 decisions; in May 2002, the secretaries of the U.S. Treasury and  
14 Education departments held a panel discussion with representatives  
15 of several national organizations, and in October 2002, OFE issued  
16 a white paper on the discussion entitled Integrating Financial  
17 Education Into School Curricula; and

18 WHEREAS, The paper notes that the best and most obvious  
19 starting place for providing financial education to young people is  
20 in the schools; it cites the No Child Left Behind Act of 2001, which  
21 also recognized the importance of financial education, and it  
22 points out that states can impose requirements that publishers  
23 demonstrate how their materials incorporate financial concepts  
24 into other subjects; now, therefore, be it

25 RESOLVED, That the 78th Legislature of the State of Texas  
26 hereby direct the State Board of Education to implement the  
27 inclusion of elements relating to personal finance among the

1 essential knowledge and skills in the required public school  
2 curriculum, and to adopt and promote a personal finance education  
3 program that provides public school districts with textbook  
4 selections to assist in the program's implementation; and, be it  
5 further

6           RESOLVED, That the Texas Education Agency and the State Board  
7 of Education, in cooperation with school administrators, teachers,  
8 parents, business leaders, and concerned citizens, immediately  
9 begin:

10           (1) exploring ways to teach in a meaningful way a  
11 financial literacy program that includes such topics as budgeting,  
12 consumer economics, insurance, investing principles, managing  
13 credit, monetary policy, financial planning, retirement savings,  
14 consumer loans, and mortgages; and

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

18           RESOLVED, That the State Board of Education submit a full  
19 report concerning the inclusion of elements relating to personal  
20 finance among the essential knowledge and skills in the required  
21 public school curriculum to the Texas Legislature no later than  
22 September 30, 2004; and, be it further

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

Woolley  
Christian  
Bohac  
Crabb  
Branch  
Mercer

David Suthart

President of the Senate

Jim Caddick

Speaker of the House

I certify that H.C.R. No. 15 was adopted by the House on April 2, 2003, by a non-record vote.

Robert Haney  
Chief Clerk of the House

I certify that H.C.R. No. 15 was adopted by the Senate on May 27, 2003, by a viva-voce vote.

Patsy Spaw  
Secretary of the Senate

APPROVED: 20 JUN '03

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
4:30pm O'CLOCK

June Shea  
Secretary of State