

# Executive Order allows financial literacy study

The Missouri Bankers Association along with State Treasurer Nancy Farmer and a coalition of organizations that are interested in improving the fiscal and economic literacy of Missouri's school children last week announced the commission of a study of financial education in Missouri. Gov. Bob Holden signed an Executive Order allowing the study and proclaimed April 18 as "Teach Children to Save Day" in Missouri.

No state funds will be used in the commission of the study that must be submitted to the Governor and members of the General Assembly by Jan. 1, 2003. The Executive Order for the study parallels Rep. John Bowman's H.B. 1973 which would create the study by law. The Governor's signing the Executive Order now allows the coalition to begin raising funds immediately.

"Personal money management is a lifelong skill," said State Treasurer Nancy Farmer. "Basic education in economics and personal finance can help form a lifetime of habits devoted to saving, wise use of debt and financial responsibility."

Bill Ratliff, MBA senior vice president, said, "The banking industry through the years has recognized the importance of educating young people about money management."

Both Farmer and Ratliff noted that personal bankruptcies are expected to reach a record 1.4 million this year. Average credit card debt has more than tripled over the



*Rep. John Bowman, center, speaks about the importance of financial literacy at last week's news conference announcing a privately funded study on the subject. Also taking part in the conference were, from left, Bill Ratliff, MBA senior vice president; Rep. Chris Liese; Stan Mengel, Missouri Council on Economic Education; Pat Holden, Bank of America; and State Treasurer Nancy Farmer.*

past decade from \$2,400 to \$9,000.

"Greater financial literacy can go a long way in helping prevent the pitfalls of predatory lending, bankruptcy and a lifetime of indebtedness," said Farmer.

The study will make recommendations relating to the integration of grade-appropriate principles of economics and personal finance from kindergarten through the 12th grade into math, reading, writing, social studies, business and family and consumer science courses.

In addition, the study will provide detailed procedures and timetables to assure integration of testing on appropriate areas of economics and personal finance in the Missouri Assessment Program (MAP).

The study will consider teacher certification requirements and make recommendations relating to certification of new teachers that will enable them to meet these increased expectations in

economics and personal finance education.

The study also will make recommendations relating to

any changes in state laws, rules or regulations that are necessary to implement the other recommendations.