



Addressing the Financial Literacy Crisis

As our nation continues to face economic and societal challenges, it's important to recognize how financial education can expand opportunities for all while setting up individuals for success later in life.

Nearly 2/3 of Americans cannot pass a basic financial literacy test, and 1/3 of U.S. financial inequality could be accounted for by the differences in financial literacy.

According to LIMRA, **only 31% of Americans say they are very or extremely knowledgeable about life insurance**, and consumers with higher knowledge are 30% more likely to have adequate coverage. Yet 42% of Americans say their household would face financial hardship within six months should a wage earner die unexpectedly.



Forbes recently reported:

- **56% of Americans** do not have enough savings to cover a \$1000 emergency expense
- **32% of Americans** run out of money before their next payday
- Household **debt rose \$3.5 billion** in just the third quarter of 2021
- Only **2 in 10 teenagers** maintain a savings account
- **87% of teenagers** say they don't really understand their personal finances

People without financial knowledge risk falling behind, but teaching students about personal finances, insurance, and managing money can empower them for financial success.

Parents can help their children navigate tough financial concepts at a young age and even well into adolescence. But our schools can play an especially important role in addressing financial literacy just as they do by teaching the basics of reading, writing, and arithmetic as essential tools in preparing students for life.



TALHI and its member companies have long been committed to providing access to financial security for everyone, regardless of where or how they work, their life stage, or the economic status of their household.

