

MAY 29, 2014

# Top 10 Smartest States for Financial Literacy

WalletHub, a financial decision making site, ranked these smart states based on two categories: knowledge and education; and planning and daily habits



There are some surprises in the rankings of the most financially literate states.

Making ends meet these days is challenging. Besides daily expenses, there are emergencies, planning for big-ticket items like college tuition for the kids, weddings and, of course, retirement.

On top of that, the end of many traditional pension plans means that the onus for retirement planning falls on individuals and those that have financial advisors.

We wondered just how equipped Americans are to be the stewards of their finances. Wallethub.com recently released its financial literacy rankings of the 50 states and Washington, D.C.

Wallethub.com noted that there is a huge financial literacy problem in the U.S. For instance, less than half of adults use a budget to monitor expenditures, and 60% do not have a rainy-day fund. On top of that, about one in five spend more than they earn.

[Wallethub.com](http://Wallethub.com) assessed states based on two categories: knowledge & education; and planning & daily habits. The site looked at the high school dropout rate, results of a Financial Industry Regulatory Authority literacy survey and the percentage of adults with a bachelor's degree, among other measures, to rate states in the first category. The second category included looking at the percentage of people who spend more than they earn, how many have a rainy-day fund and how many pay only the minimum payment on their credit cards, among other measures.

# Here are the Top 10 Smartest States for Financial Literacy.



**10. MASSACHUSETTS**  
**Overall Score:** 10<sup>th</sup> out of 51  
**Literacy:** 44<sup>th</sup> out of 51  
**Behavior:** 2<sup>nd</sup> out of 51



**9. IDAHO**  
**Overall Score:** 9  
**Literacy:** 2  
**Behavior:** 30



**8. MARYLAND**  
**Overall Score:** 8  
**Literacy:** 11  
**Behavior:** 11



**7. NORTH DAKOTA**  
**Overall Score:** 7  
**Literacy:** 14  
**Behavior:** 3



**6. SOUTH DAKOTA**  
**Overall Score:** 6  
**Literacy:** 5  
**Behavior:** 11



**5. MINNESOTA**  
**Overall Score:** 5  
**Literacy:** 6  
**Behavior:** 10



#### **4. NEW JERSEY**

**Overall Score: 4**

**Literacy: 7**

**Behavior: 9**



#### **3. VIRGINIA**

**Overall Score: 3**

**Literacy: 3 (tie)**

**Behavior: 19**



#### **2. UTAH**

**Overall Score: 2**

**Literacy: 3 (tie)**

**Behavior: 8**



#### **1. NEW HAMPSHIRE**

**Overall Score: 1**

**Literacy: 1**

**Behavior: 1**

MAY 20, 2014

# Top 10 Dumbest States for Financial Literacy: 2014

WalletHub, a financial decision making site, assessed states based on two categories: knowledge and education; and planning and daily habits



Perhaps not surprisingly, Nevada, with its many gamblers, ranked near the bottom.

Some people have a knack for financial planning and some don't. It seems to be the same with states; which will likely leave financial advisors with a lot more hand-holding to do with potential clients.

People in these states are more likely to have revolving credit card debt, take loans from places other than banks like high-interest payday lenders, and spend more than they earn, according to [WalletHub](#).

WalletHub, a financial decision making site, noted that overall there is a huge financial literacy problem in the U.S. The site assessed states based on two categories: knowledge and education; and planning and daily habits.

The site looked at the high school dropout rate, results of a Financial Industry Regulatory Authority literacy survey and the percentage of adults with a bachelor's degree, among other measures, to rate states in the first category. The second category included looking at the percentage of people who spend more than they earn, how many have a rainy-day fund and how many pay only the minimum payment on their credit cards, among other measures.

<b>10. MICHIGAN</b>	<b>Overall Score:</b> 42 <sup>nd</sup> out of 51	<b>Literacy:</b> 46 <sup>th</sup> out of 51	<b>Behavior:</b> 35 <sup>th</sup> out of 51
<b>9. ARIZONA</b>	<b>Overall Score:</b> 43	<b>Literacy:</b> 38	<b>Behavior:</b> 41
<b>8. KENTUCKY</b>	<b>Overall Score:</b> 44	<b>Literacy:</b> 44	<b>Behavior:</b> 38
<b>7. ALABAMA</b>	<b>Overall Score:</b> 45	<b>Literacy:</b> 43	<b>Behavior:</b> 39
<b>6. RHODE ISLAND</b>	<b>Overall Score:</b> 46	<b>Literacy:</b> 48	<b>Behavior:</b> 40
<b>5. NEW MEXICO</b>	<b>Overall Score:</b> 47	<b>Literacy:</b> 49	<b>Behavior:</b> 37
<b>4. LOUISIANA</b>	<b>Overall Score:</b> 48	<b>Literacy:</b> 40	<b>Behavior:</b> 49
<b>3. NEVADA</b>	<b>Overall Score:</b> 49	<b>Literacy:</b> 41	<b>Behavior:</b> 50
<b>2. ARKANSAS</b>	<b>Overall Score:</b> 50	<b>Literacy:</b> 50	<b>Behavior:</b> 48
<b>1. MISSISSIPPI</b>	<b>Overall Score:</b> 51	<b>Literacy:</b> 51	<b>Behavior:</b> 51