

# Servicemembers Are Ready To (SMART) Save Act

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Many veterans and servicemembers struggle with managing their finances during and after their time in the military. In the Military Family Advisory Network's (MFAN)'s most recent [Military Family Support Programming Survey](#), over 80 percent of respondents said their finances were a source of stress, and more than half of military and veteran families reported experiencing barriers to saving over the past two years. Over 22 percent of currently serving military families and 38 percent of veteran families have less than \$500 or no emergency savings at all, according to the most recent survey.

The Department of Defense (DoD) requires financial literacy training for servicemembers—this training was first mandated through the Fiscal Year 2006 National Defense Authorization Act. A 2022 [report](#) from the Congressional Research Service found that DoD's financial literacy training is correlated with positive credit behaviors, including better retirement planning, wealth accumulation, and overall financial well-being. However, DoD's current literacy training stops at the fourth enlisted rank in the U.S. military (E-4) and is primarily completed online, among other concerns. In addition, many of the trainings are currently delivered as online modules, which can incentivize servicemembers to focus on course completion rather than true comprehension.

The **SMART Save Act of 2024** would make important updates to improve DoD's financial literacy training by expanding the training to reach more servicemembers and military spouses, increasing standardization across all branches of the military, boosting in-person instruction, and bringing the training up to speed with evolving best practices, among other things. The legislation will help ensure servicemembers and their spouses receive comprehensive financial literacy training to help them succeed in the civilian world.

Specifically, the legislation:

- Requires the development of a standard financial literacy curriculum across all military departments based on best practices in the financial services industry.
- Shifts the focus from completing training modules to truly developing proficiency in financial literacy.
- Prioritizes financial literacy classes that are held in person with fewer than 100 attendees or held as one-on-one financial counseling sessions, using computer-based methods only as a last resort.
- Makes financial literacy classes and resources available to military spouses.
- Increases access to retirement information, including how to contribute to military savings, leading to increased financial stability in the civilian world.
- Expands financial literacy training program requirements for servicemembers ranked E-5 and E-6, ensuring that more servicemembers receive this training before they move off base with their families.
- Requires a report on the effectiveness of the financial literacy training and counseling and recommendations for improvement, leading to a program that adapts to the world's evolving financial environment.

The SMART Save Act is endorsed by the Military Family Advisory Network (MFAN), National Military Family Association (NMFA) and Military Officers Association of America (MFAA).