

SENATE RESOLUTION NO.110

Senator Lauwers, Polehanki and Geiss offered the following resolution:

1 A resolution to recognize April 2020 as Financial Literacy
2 Month.

3 Whereas, The informed use of credit and other financial
4 products and services benefits individual consumers and promotes
5 economic growth; and

6 Whereas, Learning financial literacy skills at an early age
7 encourages greater economic self-sufficiency, higher levels of
8 successful homeownership, and enhanced retirement security,
9 particularly among low and moderate income citizens; and

10 Whereas, Quality personal financial education and a strong
11 understanding of financial literacy is essential to ensure that

1 individuals are prepared to manage money, credit, debt, and become
2 responsible workers, heads of households, investors, entrepreneurs,
3 business leaders, and citizens; and

4 Whereas, A greater understanding of, and familiarity with,
5 financial markets and institutions will lead to increased economic
6 activity and growth; and

7 Whereas, According to the 2019 Consumer Financial Literacy
8 Survey report by the National Foundation for Credit Counseling, a
9 majority of adults in the United States have credit card debt that
10 carried over from month to month and only an approximated 42
11 percent of adults in the United States maintain a budget; and

12 Whereas, During times of both strong and poor economic
13 conditions, personal financial education and money management
14 skills are crucial to ensure that all Michiganders, and especially
15 our young people, are prepared to manage credit; and

16 Whereas, According to the report titled, "Economic Well-Being
17 of U.S. Households" by the Board of Governors of the Federal
18 Reserve System, 40 percent of adults in the United States cannot
19 cover an expense of \$400; and

20 Whereas, According to the report of the Board of Governors of
21 the Federal Reserve, for the fourth quarter of 2019 outstanding
22 household debt in the United States reached \$14,150,000,000,000 and
23 outstanding student loan balances have more than doubled in the
24 last decade to approximately \$1,500,000,000,000; and

25 Whereas, The young people of our state represent Michigan's
26 single greatest resource who, in the years ahead, will assume
27 leadership positions and responsibility for advancement of our
28 society; and

29 Whereas, According to the 2020 Council for Economic

1 Education's report titled, "Survey of the States: Economic and
2 Personal Finance Education in Our Nation's Schools" only 25 states
3 require students to take an economic course as a high school
4 graduation requirement, and only 21 States require students to take
5 a personal finance course as a high school graduation requirement,
6 either independently or as part of an economic course; and

7 Whereas, According to the Gallup-HOPE Index, only 57 percent
8 of students in the United States have money in an account at a
9 chartered financial institution; and

10 Whereas, Expanding access to the mainstream financial system
11 will provide individuals with less expensive and more secure
12 options for managing finances and building wealth; and

13 Whereas, According to the Consumer Financial Literacy Survey
14 Final Report of the National Foundation for Credit Counseling, 41
15 percent of adults living in the United States gave themselves a
16 grade of C, D, or F on their knowledge of personal finance; and

17 Whereas, Both federal chartered banks and the state of
18 Michigan understand that an educated consumer is the best consumer
19 and that financially savvy customers will use and get the most from
20 banking services and products throughout their lives; and

21 Whereas, Financial Literacy Month highlights the commitment of
22 Michigan banks to strengthen the financial knowledge of our youth
23 and to prepare them for a fiscally-responsible future; now,
24 therefore, be it

25 Resolved by Senate, That the members of this legislative body
26 recognize April 2020 as Financial Literacy Month; and be it further

27 Resolved, That we encourage raising public awareness about the
28 importance of personal financial education in Michigan and the rest
29 of the United States to help address the serious problems that are

1 associated with a lack of understanding about personal finances;
2 and be it further

3 Resolved, That we call on every parent, school, business,
4 financial institution, community organization, and unit of
5 government to observe this month with appropriate programs and
6 activities.