

SENATE RESOLUTION NO.110

Senator Lauwers 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
12 individuals are prepared to manage money, credit, debt, and become

1 responsible workers, heads of households, investors, entrepreneurs,
2 business leaders, and citizens; and

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

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

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

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

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

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

28 Whereas, According to the 2020 Council for Economic
29 Education's report titled, "Survey of the States: Economic and

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

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

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

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

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

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

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

26 Resolved, That we encourage raising public awareness about the
27 importance of personal financial education in Michigan and the rest
28 of the United States to help address the serious problems that are
29 associated with a lack of understanding about personal finances;

1 and be it further

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