

HOUSE RESOLUTION NO. 261

Rep. Farrington offered the following resolution:

1 A resolution to declare April 2022 as Financial Literacy Month
2 in the state of Michigan.

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, Michigan has formally participated in financial
11 literacy programming for eighteen years through the collaboration
12 and coordinated effort of hundred of organizations including
13 financial institutions, non-profit groups, government entities,

1 schools and libraries. The initiative showcases these organizations
2 educational resources, strengthens public-private partnerships,
3 engages the media, and connects people with resources to help them
4 better manage their money; and

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

8 Whereas, According to the 2021 Consumer Financial Literacy
9 Survey report by the National Foundation for Credit Counseling, 62%
10 of U.S. adults have carried credit card debt in last 12 months and
11 41 percent of adults living in the United States gave themselves a
12 grade of C, D, or F on their knowledge of personal finance; and

13 Whereas, 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 debt and become
16 responsible workers, heads of households, homeowners, investors,
17 entrepreneurs, business leaders, and productive citizens; and

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

22 Whereas, According to the report of the Board of Governors of
23 the Federal Reserve for the fourth quarter of 2020 outstanding
24 household debt in the United States reached \$14,560,000,000,000 and
25 the total debt balance is \$414 billion higher than at the end of
26 2019; and

27 Whereas, According to the most recent FDIC Survey and Report
28 of Household Use of Banking and Financial Services, the number one
29 reason, at twenty-nine percent, cited by unbanked households for

1 not having an account was "Don't have enough money to meet minimum
2 balance requirements" compared to the majority of banked households
3 being satisfied with their primary bank and thinking that fees
4 were clearly communicated; and

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

8 Whereas, The young people of our state represent Michigan's
9 single greatest resource who, in the years ahead, will assume
10 leadership positions and responsibility for advancement of our
11 society; and

12 Whereas, Financial Literacy Month highlights the commitment of
13 Michigan banks to strengthen the financial knowledge of Michigan
14 citizens to prepare them for a fiscally-responsible future; now,
15 therefore, be it

16 Resolved by the House of Representatives, That the members of
17 this legislative body declare April 2022 as Financial Literacy
18 Month in the state of Michigan. We encourage raising public
19 awareness about the importance of personal financial education in
20 Michigan and the rest of the United States. This will help address
21 the serious problems that are associated with mismanagement of
22 personal finances; and be it further

23 Resolved, That we call on each parent, school, business,
24 financial institution, community organization, and unit of
25 government to observe the month with appropriate programs and
26 activities.