

Rep. Anthony offered the following resolution:

House Resolution No. 476.

A resolution to declare December 16-22, 2018, as Children's Savings Account Awareness Week in the state of Michigan.

Whereas, Children's savings accounts (CSAs) are savings or investment accounts sponsored by financial institutions, which usually offer behavior-based incentives and savings-match opportunities to help families maximize their investments. CSAs are often used to build up funds to pay for a college education or career training and are instrumental in preparing young people for a stable economic future. Many institutions also offer financial coaching and other educational tools to help young people better understand financial markets and develop positive saving habits. The majority of CSA programs in the United States operate using a 529 plan, a financial tool that allows tax-free withdrawals for post-secondary tuition and other education-related expenses; and

Whereas, Approximately 450,000 children nationwide have a CSA. There are more than 80 CSA programs in operation across the country, with initial deposits and matches from funding sources such as community foundations, individual donors, businesses, and state, local and federal agencies. According to the Community Economic Development Association of Michigan, there are currently 6 operational CSA initiatives in Michigan, servicing at least 12,635 individuals over the last two years; and

Whereas, School based initiatives can create a strong framework for community collaboration and improved outcomes for students. Lansing Student Accounts Valuing Education (SAVE) is one example of a partnership between the City of Lansing, the Lansing School District, and MSU Federal Credit Union that automatically enrolls students in a CSA during their first semester of kindergarten. In Barry County, the "Kickstart to Savings" program has also been exemplary in this arena, serving as the first universal, automatic, county-wide CSA program; and

Whereas, While children with dedicated college savings are four times more likely to complete a degree by age 26, CSAs are often underutilized by families who could benefit the most. When considering college graduation rates for low income students, the benefit of CSAs is apparent. Only 7 percent of low income students without a CSA graduate from college, compared to a 33% graduation rate for those who do. A recent publication from "Prosperity Now" shows disparities between race and income level for use of CSAs. Over 51 percent of CSA participants are white, 27 percent are Latino, and 11 percent are African American. Low-income and immigrant families are also less likely to be aware of CSA programs. Increasing awareness of CSAs and improving access for minority groups is an important step toward ensuring equitable outcomes for all of Michigan's children; now, therefore, be it

Resolved by the House of Representatives, That the members of this legislative body declare December 16-22, 2018, as Children's Savings Account Awareness Week in the state of Michigan. We demonstrate our commitment to giving all of Michigan's children the opportunity to pursue their dreams, regardless of their financial beginnings.