

HOUSE RESOLUTION NO. 174

Reps. Schroeder and Farrington offered the following resolution:

1 A resolution to declare October 2019 as Get Smart About Credit
2 Month in the state of Michigan.

3 Whereas, Financial literacy is the basic knowledge and skills
4 that allows individuals to make educated decisions about their
5 financial resources and plan for a stable economic future; and

6 Whereas, Those who are proficient in financial literacy
7 possess the capability to create and execute short term and long-
8 term budgets, invest in the market, save and plan for retirement,
9 buy a house, pay off student loans, grow a credit score, and manage
10 communications with their financial institutions; and

11 Whereas, An important component of mastering financial
12 literacy is the ability to maintain good credit; and



1 Whereas, Young Michiganders need financial education.
2 According to Forbes Magazine, total U.S. student debt was \$1.52
3 trillion in 2018 involving over 44 million borrowers before they
4 even enter the workforce; and

5 Whereas, During their early adult years, young Michiganders
6 will face important decisions that will impact their financial
7 futures; and

8 Whereas, Many Michiganders do not know what a credit score is
9 or how it impacts the ability to qualify for mortgages, car loans,
10 boat loans, or other lines of credit; and

11 Whereas, Young Americans wish they had the opportunity to
12 learn about personal finance before they graduate high school.
13 According to a 2016 Bank of America/USA Today Better Money Habits
14 report, when asked about what they had hoped to learn more about in
15 school, college students say financial topics are at the top of the
16 list; and

17 Whereas, Not all states require high school students to learn
18 about personal financial education; and

19 Whereas, There is no fast and easy way to "fix" damaged
20 credit. Repairing credit history takes time and requires the
21 establishment of good money management over a length of time; and

22 Whereas, Understanding credit management is key to
23 establishing good credit in the future; and

24 Whereas, Having access to credit in the future may assist
25 Michiganders who face significant life events, both positive and
26 negative, and experience drastic changes to their financial plans.
27 Our citizens can unexpectedly face a decline in health, medical
28 expenses, or legal troubles. Being able to access affordable
29 emergency lines of credit can help individuals avoid being left

1 with fees, costs, fines, and other financial obligations that are
2 difficult to manage; and

3 Whereas, Empowering Michiganders to be knowledgeable about
4 their finances and about the best ways to maintain access to
5 positive credit programs will enable our citizens to be in
6 positions to boost our local economies and lower poverty rates over
7 the long term. Lowering poverty rates does not simply create more
8 jobs, but it strengthens our citizens' ability to provide for their
9 families and to raise their children. Promoting smart credit
10 management and overall financial literacy helps our citizens
11 achieve their American Dream; now, therefore, be it

12 Resolved by the House of Representatives, That the members of
13 this legislative body declare October 2019 as Get Smart About
14 Credit Month in the state of Michigan; and be it further

15 Resolved, That we urge all Michigan financial institutions to
16 observe the month with appropriate programs and activities for the
17 students and all members of the communities they serve.