



ASSET BUILDING POLICY PROJECT

The Michigan Asset Building Policy Project (ABPP) was created in 2005 to drive the research and advocacy efforts of the Michigan Asset Building Coalition (ABC), a diverse and broadly representative group of individuals and agencies including bi-partisan legislators, state agencies, for-profit, and non-profit organizations. The purpose of the ABPP's research and advocacy goals is to universalize access to savings programs for Michigan workers, design better consumer products for populations currently targeted by costly alternative financial products, and work to incorporate savings opportunities into the delivery of public benefits and other anti-poverty programs. The ABPP also oversees the Michigan Earned Income Credit Coalition (MEIC), whose members work to connect Michigan residents with free tax preparation and to increase take-up of the federal and state Earned Income Tax Credits (EITC) by Michigan working individuals and families.

Beginning in 2001, unemployment in Michigan started to exceed other areas of the country, leading to increases in personal bankruptcy and home foreclosure.

Today, Michigan's economic climate is arguably the worst of any state in the nation. Michigan residents need access to better opportunities to build financial security.

The recent economic recession exposed the fact that many Americans lacked sufficient savings and assets to help them weather financial crises brought on by job loss, home foreclosure, or other financial emergencies. In Michigan and across the nation, personal savings rates have increased in response to the recession, creating an opportunity for policymakers to harness this trend and pursue innovative asset building policy. New policy can lay a structural pipeline of savings incentives and programs to encourage positive financial behavior now and long into the future.

Economic Indicators for Michigan

OUTCOME MEASURE	MICHIGAN	U.S. AVERAGE
Poverty Rate (2009)	14.0%	14.3%
Unemployment Rate (2010)	12.4%	9.8%
Asset Poverty Rate (2007)	19.7%	22.5%
Un- and Underbanked Households (2009)	23.4%	25.6%
Bankruptcy Rate (2007)	4.5%	2.7%
Employment Growth (2008)	-3.2%	-0.5%
Foreclosure Rate (2008)	3.5%	3.0%

*Helping Working Families Achieve Lasting
and Sustainable Financial Security*



2011 ABPP Policy Agenda

Policy & Research Goals

- > Improve financial literacy for all Michigan families
- > Give working families in Michigan the financial tools they need to build assets
- > Create an environment in Michigan that is conducive to saving

Policy Action Items

- Establish state funding support for EITC outreach and free tax preparation services
- Encourage state support for the creation of local asset building coalitions
- Remove or increase asset limits for state work support and human service programs
- Increase accessibility and take-up of 529 College Savings Accounts
- Increase the number of Michigan residents with bank accounts
- Protect Michigan families from predatory financial products and services
- Support matched savings accounts
- Incorporate financial literacy training in the public school curricula, worker training, prisoner re-entry, and public work support programming
- Develop quality financial products and services that fit the needs of working families in Michigan

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