



HJ0051

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1 HOUSE JOINT RESOLUTION

2 WHEREAS, For the second year in a row, the national
3 personal savings rate remains below zero; and

4 WHEREAS, A negative savings rate in the United States has
5 not occurred since the Great Depression; and

6 WHEREAS, Nationally, one in five families have a negative
7 net worth; about one-third of low-income households and more
8 than one-tenth of moderate-income households report having no
9 financial assets at all; and

10 WHEREAS, The United States Congress has reintroduced
11 legislation in the 110th Congress creating the Savings for
12 Working Families Act that would ensure that our nation's
13 savings and ownership policies assist working-poor families by
14 enabling them to save, build wealth, and enter the financial
15 mainstream through the use of Individual Development Accounts;
16 and

17 WHEREAS, Individual Development Accounts help low-income
18 families build assets for buying a first home, receiving
19 post-secondary education, or starting or expanding a small
20 business; and

1 WHEREAS, The President of the United States included
2 funding for 900,000 Individual Development Accounts in his 2007
3 budget request, and, meanwhile, the Congress, in a bi-partisan
4 effort, gathered 68 co-sponsors (35 Democrats and 33
5 Republicans) on the bill; and

6 WHEREAS, The Savings for Working Families Act creates a tax
7 credit for financial institutions that match the savings of the
8 working poor through Individual Development Accounts; and

9 WHEREAS, Financial institutions offering Individual
10 Development Accounts will be reimbursed through a federal tax
11 credit for all matching funds, up to \$500 per year for four
12 years, and receive a tax credit of \$50 per account per year for
13 account management; and

14 WHEREAS, Those who save in an Individual Development
15 Account must complete financial education from a nonprofit
16 organization prior to the asset purchase; therefore, be it

17 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
18 NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE
19 SENATE CONCURRING HEREIN, that the Illinois General Assembly
20 urges the members of the Illinois delegation to the United
21 States Congress to give full consideration to the passage of
22 the Savings for Working Families Act as represented in House

1 Resolution 1514; and be it further

2 RESOLVED, That a suitable copy of this resolution be sent
3 to each member of the Illinois congressional delegation.