



The 2009-2010 Assets & Opportunity Scorecard and Policy Campaign

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RAISE Texas Action Summit
Federal Reserve Bank of Dallas, TX
November 16, 2009

"We cannot rebuild this economy on the same pile of sand. We must build our house upon a rock. We must lay a new foundation for growth and prosperity – a foundation that will move us from an era of borrow and spend to one where we save and invest."

-- President Barack Obama, April 2009



About CFED

- CFED (Corporation for Enterprise Development) has worked for over 30 years to expand economic opportunity by helping people save and invest, own homes, succeed as entrepreneurs, contribute to and benefit from the economy
- CFED's special expertise is to connect public policy, private markets and community practice to bring effective approaches for building wealth and financial security to scale at the local, state and national levels



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Presentation Overview

About the Scorecard & Policy Campaign

National Overview

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Using the Scorecard



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Assets & Opportunity Scorecard



- Most comprehensive tool measuring ownership and financial security at state level
- Provides assessment of how well states support efforts of residents to build and protect their assets
- Focus on assets is essential for lower-income Americans to enter the economic mainstream and build wealth

Assets & Opportunity Scorecard

- Covers performance and policy priorities in five Issue Areas
 1. Financial Assets & Income
 2. Businesses & Jobs
 3. Housing & Homeownership
 4. Health Care
 5. Education
- Framework underscores need to integrate asset development, asset protection and social insurance to advance financial security for all Americans
- Brings stakeholders across a diverse set of issues to work together

Assets & Opportunity Campaign

Campaign Goal: Improve State Policy

- Educate policymakers, public and media
- Build capacity of organizations to frame agendas and advocate effectively for state and federal policies
- Promote engagement on the racial dimension of wealth disparities
- Increase number and diversity of organizations that see asset building as important to their missions

About the Scorecard & Campaign



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Policy Priorities

- | | |
|--|--------------------------------------|
| 1. Lifting asset limits in public benefit programs | 7. Housing trust fund |
| 2. State IDA program support | 8. First-time homebuyer assistance |
| 3. State Earned Income Tax Credit | 9. Access to health insurance |
| 4. Payday lending protections | 10. Early childhood education |
| 5. State microenterprise support | 11. Access to quality K-12 education |
| 6. Predatory mortgage lending protections | 12. College savings incentives |

About the Scorecard & Campaign



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Assets Across America

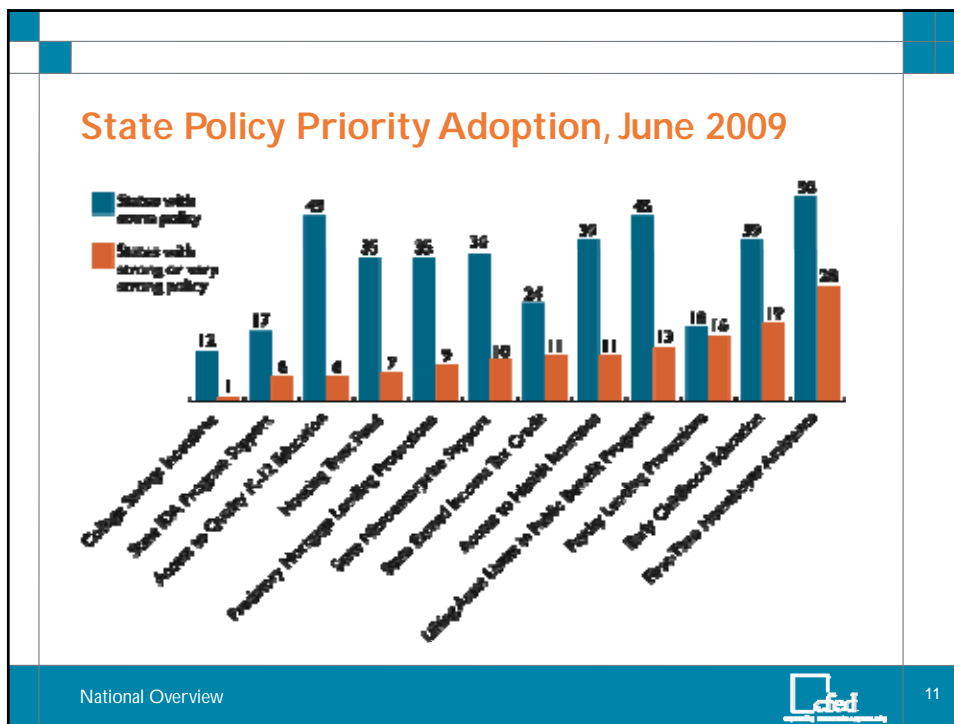
Even before the recession hit, overall increases in net worth obscured the rising financial insecurity many were facing

- Although household net worth rose to \$88,803, median net worth *fell* for the 40% of households earning less than \$37,000 per year
- For every dollar held by a household in the top 20% by income, households in the bottom 20% had 2 cents
- 22.5% of Americans live in asset poverty (27.2% of households with children)
- Credit card debt rose to \$2,960—up 64% between 2006 and 2008
- Student debt for college grads averaged more than \$20,000

Assets Across America

Significant and enduring racial disparities in asset ownership with minorities being:

- Twice as likely to be asset poor (37.2% vs. 16.4%)
- Three times as likely to have a high-cost mortgage loan
- Much less likely to own a home or have a college degree:
 - 71.5% of white Americans own their homes, only 48% of minorities do so
 - One in five minority Americans have a four-year college degree compared to one in three white Americans



Assessing States

- Outcome Grades
 - Relative assessment based on ranked outcome measures
 - Distributed on a curve (see right)

- Policy Ratings
 - Based on assessment against fixed criteria for what constitutes strong policy

Grade Distribution

Grade	Rank
A	1-10
B	11-20
C	21-36
D	37-46
F	47-51

Policy Ratings

●	All criteria met
◐	Most criteria met
◑	Some criteria met
⊕	Few criteria met
⊖	No criteria met

Comparative State Analysis 12

State Grades

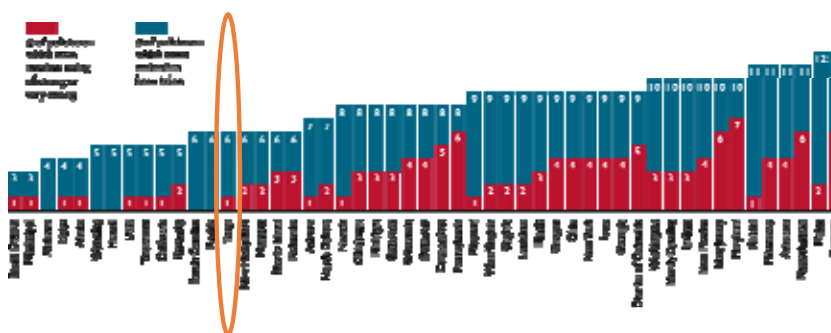


Comparative State Analysis



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Number of Policy Priorities Acted on by States



Texas has acted on 6 of 12 policy priorities
 Only ONE received rating of "strong" (first time homebuyer assistance)

Comparative State Analysis



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Texas State Profile



Index	Grade
Financial Assets & Income	C
Businesses & Jobs	C
Housing & Homeownership	C
Health Care	D
Education	D

State-Specific Findings



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Critical Outcomes

Measure	Texas	Rank	Nat'l
Net Worth	\$45,434	48	\$88,803
Asset Poverty	24.8%	37	22.5%
Median Installment Debt	\$16,289	46	\$14,887
Low-Wage Jobs	32.2%	41	22.2%
Retirement Plan Participation	42.0%	48	47.4%
Homeownership Rate	61.9%	44	64.2%
Head Start Coverage	13.9%	49	20.3%
High School Degree	81.5%	51	87.6%

State-Specific Findings



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State Policy Opportunities

Policy Priority	Texas
State IDA Program Support	⊕
Payday Lending Protections	⊕
Access to quality K-12 education	⊕
College Savings Incentives	⊕

Related Federal Policy Opportunities

- Asset building policies embraced by President, Congressional leaders
- Critical to addressing nation's economic growth & solution to economic troubles
- Key priorities: Auto IRA & Saver's Credit Expansion
- Additional issues:
 - Address asset test in TANF and SSI
 - Create new matched accounts: IDA Tax Credit, children's savings
- Strong advocacy necessary
- Visit www.cfed.org/go/advocacy to join network

Scorecard Campaign & Resources

- State profiles
 - Comprehensive data, rankings & policy ratings; recommendations for action
- Policy briefs for 12 policy priorities
 - Why policy matters; what states can do; elements of a strong policy
- Resource guides for 12 policy priorities
 - Additional data & resources; state precedents; strategy
- At-a-glance state policy chart
 - Policy ratings on all 12 Policy Priorities for all 50 states and DC
- Special Reports
 - Report on Child Asset Poverty in early 2010
- Website (<http://scorecard.cfed.org>)
 - All data; trend indicators; guide to sub-state analysis; and more ...

Additional Resources

- Monthly state policy updates
(scorecardpolicy@cfed.org)
- Federal policy updates & alerts
(www.cfed.org/go/advocacy)
- Connection to experts
(contact us: scorecard@cfed.org)
- Peer Learning Events


Save the Date!

Assets Learning Conference
Sept 22-24 2010
Washington DC
www.cfed.org

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