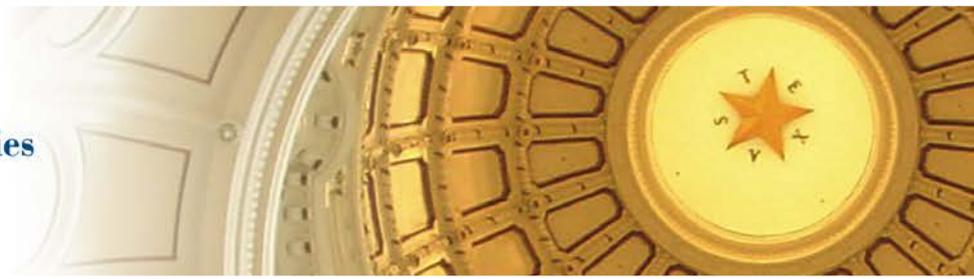




Center for Public Policy Priorities



New Yardsticks: Measuring Economic Mobility & Opportunity for North Texas & Beyond

Economic Mobility and Poverty in Texas:

Event & Funders Forum

Dallas, TX

November 30, 2012

Don Baylor, Jr.

baylor@cphp.org

OpportunityTexas

Working for a Better Texas

2



Improving public policies to better the economic and social conditions of low- and moderate-income Texans.

- Creating **economic opportunity** to strengthen families and grow the middle class;
- Increasing access to **quality, affordable health insurance**;
- Helping families meet **basic needs**;
- Enhancing **child well-being and child protection**;
- Ensuring **effective public administration**; and
- Securing **fair and adequate taxation** to pay for critical public investments in Texas.



Opportunity TexasTM

LEARN. EARN. SAVE.

Opportunity Texas Actions

- *Expanding Access to Good Jobs*
 - ▣ Improving College Access Publications
 - The Cost of College
 - Ready, Steady, Go!
 - ▣ The State of Working Texas
- *Increasing Income & Consumer Protection*
 - ▣ VITA Site Toolkit
 - ▣ Payday Lending
- *Promoting Savings & Financial Education*
 - ▣ Tax-Time Savings Project
 - ▣ Smarter Texas & Smarter Texans Save
 - ▣ Child Support for College
- *Asset Building Research*
 - ▣ TROI
 - ▣ Dollar for Dollar
 - ▣ College Savings



Impact of the Great Recession

- **Economic Mobility Lessons**
 - Homeownership, easy credit recede
 - Financial Education, Consumer Protection ascend
 - Liquid assets (household savings) step up
 - Racial Wealth Gap Doubles
 - New Entrepreneurship Models emerge
- **College Education: Benefit or Burden?**
 - Increasing student loan debt burden compounds sluggish labor market
 - Two-Decade Trend Cements College Cost Shift onto students & families
 - Targeted workforce and community college efforts increase in significance
- **Focus of Social Philanthropy Evolves**
 - Collaboration/Integration/Collective Impact
 - Dual-Generational Approaches
 - Post-Recession Innovations (e.g. college savings) spur new investments



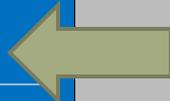
Economic Mobility Framework

- **Intergenerational Strategies**
 - ▣ Family focused policies that simultaneously benefit parents and their children
 - ▣ Proven Tools that alleviate “poverty churn”
- **Cross-system Platforms**
 - ▣ Service delivery integration and coordination
 - ▣ Public Benefits Access = “Nets” & “Ladders”
 - ▣ Promoting Financial Stability as a Baseline
- **Education and Savings as Twin Engines**
 - ▣ Skills development
 - ▣ Career- and college-readiness
 - ▣ Liquid assets as buffer *and* catalyst
 - ▣ Closing the College Savings Account Gap



BETTER TEXAS Family Budgets

CHOOSE YOUR
Metro Area



SELECT WHO PAYS THE
Health Insurance Premium

- Household pays entire family premium
- Employer pays all of one adult's premium and half of premium for rest of family

SELECT NUMBER OF

Adults

- 1
- 2
- 3

SELECT NUMBER OF

Children



Is the family Saving for

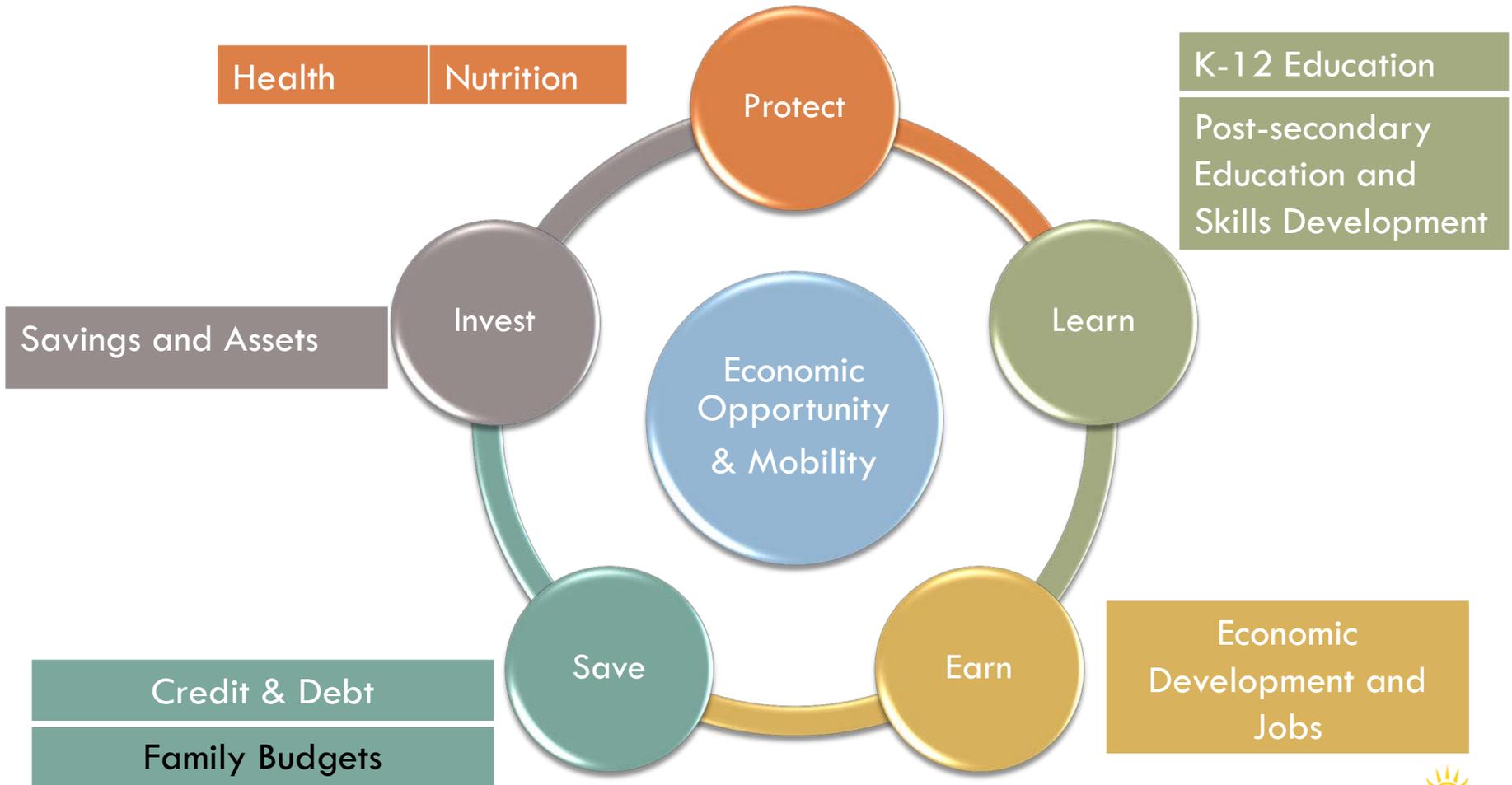
- Emergencies/Rainy Day
- Retirement
- College
- Other

The Texas Family Budgets estimates what it takes for families to make ends meet in each of Texas' 26 metro areas.

NOTE: *Our upcoming Better Texas Family Budgets website will go live in December, 2012.*

Texas Regional Opportunity Index: Putting it All Together

8



Why Develop a New Source for Local and Regional Data?

9

- **Provide** better and more timely data to local stakeholders to measure community impact
- **Drive** conversations toward manageable, measureable, and actionable outcomes
- **Inform** public policy debate on statewide strategies to improve and measure performance indicators
- **Cross** traditional policy silos and agency boundaries to address barriers to individual and community development
- **Generate** comparable local and regional snapshots to assess opportunity structures



Digging Deep: TROI Data Sources

Texas State Agencies

- Office of Consumer Credit Commissioner
- Texas Workforce Commission
- Texas Health and Human Services Commission
- Texas Department of Agriculture
- Texas Department of State Health Services
- Texas State Data Center
- Texas Education Agency
- Texas Higher Education Coordinating Board
- Texas Guaranteed Student Loan Corporation
- Texas Prepaid Higher Education Tuition Board

Texas Non-Profits

- Texas Food Bank Network
- Texas Hunger Research Project

U.S. Agency Data Sources

- Bureau of the Census
- Bureau of Labor Statistics
- IRS
- Housing and Urban Development
- Treasury
- Department of Agriculture
- Department of Education
- FDIC/NCUA

National Organizations

- Social IMPACT Research Center
- Robert Wood Johnson Foundation
- University of Wisconsin
- CFED
- Oppenheimer Funds

TROI Provides Inter- & Intra- Regional Snapshots & Benchmarks

The TROI compares economic mobility indicators across regions in Texas:

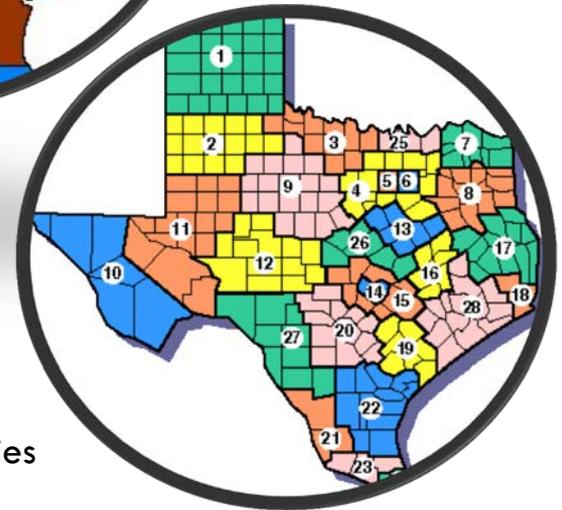
★ **Counties (254)**

★ **State Agency Jurisdictions (6)**

- ★ Education Service Centers (TEA)
- ★ Higher Education Regions (THECB)
- ★ Tax & Economic Activity Regions (Compt.)
- ★ Councils of Government (COG) Regions
- ★ Workforce Board Areas (TWC)
- ★ HHS Regions (HHSC)

★ **County Population/MSA Tiers (4)**

- ▣ Major Metro (500,000+): 7 counties
- ▣ Mid-size Metro (<500,000 but core county in MSA): 24 counties
- ▣ “Suburban” (100,000+ and adjacent to Major metro county): 9 counties
- ▣ “Rural” (Below 100,000 or not in MSA): 214 counties



A Sneak at TROI Economic Mobility Data for the DFW MSA



Counties in DFW MSA

Dallas Metro Division

Major Metro County (Tier 1) – Dallas

Suburban Counties (Tier 3)– Collin, Denton, and Kaufman

Rural Counties (Tier 4) – Delta, Ellis, Hunt, and Rockwall

Ft. Worth Metro Division

Major Metro County (Tier 1) – Tarrant

Mid-Size Metro Counties (Tier 2) – Johnson and Parker

Rural County (Tier 4) Wise



Credit & Debt

	Dallas Metro	Ft. Worth Metro	State
Average Credit Score	678	676	674
Bankruptcy Rate (per 1,000 people)	2.7	3.0	1.9
Credit Card Debt Burden	3.4%	3.4%	3.8%
Excellent Credit Score Rate (Above 740)	36.5%	35.7%	34.7%
Payday and Auto Title Lender Density (per 10,000 people)	1.2	1.6	1.3
Student Debt Burden	11.4%	10.5%	12.8%
Subprime Credit Score Rate (Below 660)	42.4%	43.6%	44.3%



Savings & Assets

	Dallas Metro	Ft. Worth Metro	State
Financial Institution Density (per 10,000 people)	3.2	3.0	2.9
Foreclosure Rate	3.3%	3.5%	3.6%
New Prepaid College Savers (per 1,000 eligible kids)	0.7	0.4	0.5
Total Prepaid College Savers (per 1,000 eligible kids)	5.5	3.8	3.9
Subprime Mortgage Rate	6.5%	7.2%	9.1%
VITA Tax-Time Savings Rate	0.7%	2.7%	1.7%



Postsecondary Education and Skills Development

	Dallas Metro	Ft. Worth Metro	State
Public Two-Year College - Full-Time Student B.A. Attainment	23.8%	13.2%	13.4%
Full-Time Student Completion	30.0%	26.7%	29.3%
Full-Time Student Persistence	9.0%	14.9%	12.8%
Part-Time Student Completion	23.4%	19.3%	23.5%
TWC Program Employment Retention Rate	80.8%	80.9%	81.0%
FAFSA Completion Rate	31.5%	30.8%	32.0%
Post-Secondary Enrollment Rate			
Two-Year Institutions	36.0%	35.4%	35.3%
Four-Year Institutions	23.8%	24.9%	25.5%
Three-Year Student Loan Cohort Default Rate	15.8%	13.9%	15.6%



Postsecondary Education and Skills Development

	Dallas County			Tarrant County			Tier 1
	Value	Tier Rank of 7	State Rank of 254	Value	Tier Rank of 7	State Rank of 254	Average
Public Two-Year College							
Full-Time Student B.A. Attainment	14.9%	2	49	14.0%	3	68	15.5%
Full-Time Student Completion	27.8%	3	170	25.7%	5	215	27.1%
Full-Time Student Persistence	13.4%	3	185	17.0%	7	102	12.6%
Part-Time Student Completion	21.5%	3	177	16.0%	5	227	19.5%
TWC Program Employment Retention Rate	80.0%	6	159	80.8%	4	119	80.4%
FAFSA Completion Rate	31.0%	5	105	31.1%	4	250	31.9%
Post-Secondary Enrollment Rate							
Two-Year Institutions	34.9%	3	107	34.9%	4	108	34.7%
Four-Year Institutions	22.1%	7	139	25.5%	4	94	25.9%
Three-Year Student Loan Cohort Default Rate	20.2%	6	234	13.9%	2	208	17.9%

2013: TROI Online Platform Launches

REGIONAL OPPORTUNITY INDEX



28%
of Texans wouldn't
have enough
savings to get by
for 3 months
during a
sudden job loss
or medical emergency

Texas Regional Opportunity Index

Opportunity Snapshot Generator

- Create an Opportunity Snapshot:

- By County
- By Region

Select Indicators

Select Comparison Points



Education Service	Higher Ed	Comptroller Economic	COG
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Education Service Center Region Snapshot:
Choose by Location or Name

16 - Amarillo

ESC Region ▼

Texas Regional Opportunity Index

Opportunity Snapshot Generator

● Create an Opportunity Snapshot:

- By County
- By Region

Select Indicators

Select Comparison Points

8 Opportunity Categories

Choose up to 12 Total Opportunity Indicators:

Credit and Debt

- | | | | |
|--------------------------|------------------------|--------------------------|-------------------------------------|
| <input type="checkbox"/> | Average Credit Score | <input type="checkbox"/> | Credit Debt Burden |
| <input type="checkbox"/> | Excellent Credit Score | <input type="checkbox"/> | Student Debt Burden |
| <input type="checkbox"/> | Subprime Credit Score | <input type="checkbox"/> | Credit Access Business (CAB) Lender |

Economic Development and Jobs

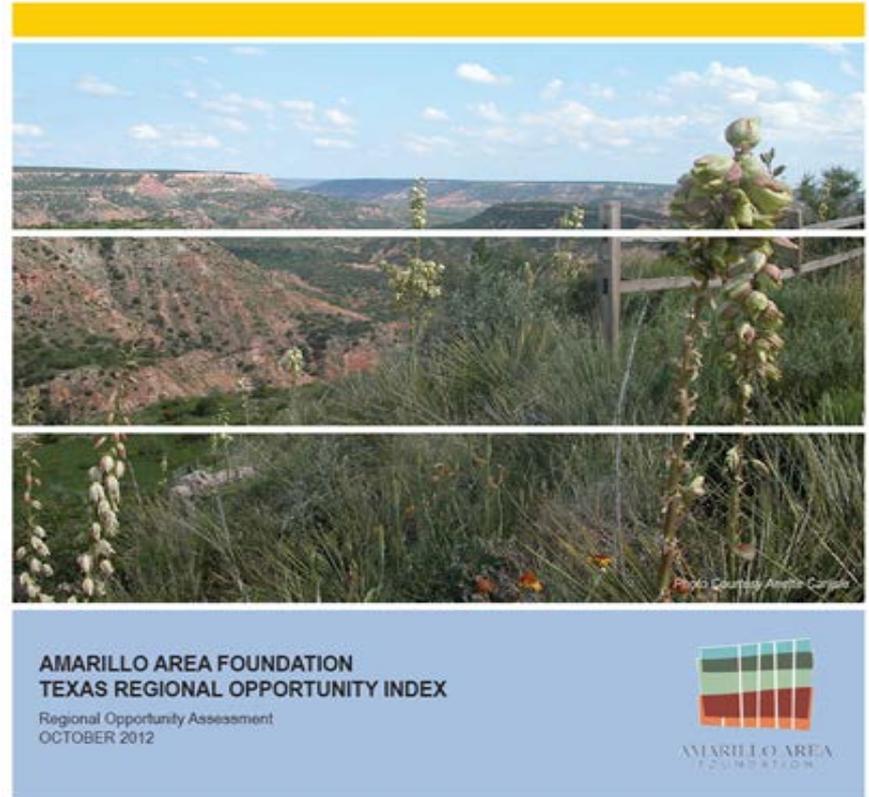
4 to 18 Indicators in each category

What Can TROI Do Now?

- **TROI County Profiles**
What does economic opportunity look like in your county and how does it compare to the state, similar counties, regional jurisdictions, and neighboring counties?
- **TROI Regional Profiles**
How does your (COG, WDA, ESC, etc.) region compare to other regions in the state? How do the individual counties in the region compare to each other?
- **Indicator/Opportunity Area Reports**
How are counties and regions across the state faring on a single indicator or opportunity area?
- **“SWOT” Analysis**
Where does the data indicate strengths, weaknesses, opportunities, and threats for economic opportunity within your county or region?
- **Presentations**
CPPP staff members can present information about and data from the TROI to various stakeholder audiences.

Regional Overview: Amarillo Area Foundation

- ❑ Created TROI profiles for Panhandle grantmaking area
- ❑ Recommended new investments and strategies to improve lagging regional indicators
- ❑ Remain engaged through shift to community wealth building



State Policy Implications





Postsecondary Education & Skills Development

- Enact a statewide effort to reduce student loan debt and dependence (THECB master plan)
- Ensure FAFSA completion is supported and incentivized
- Ensure adult education/ESL students have more seamless pathway into postsecondary credential
- Ensure GED changes do not pose barriers for Texas students
- Ensure financial aid reaches more Texas students with adequate grants
- Improve (pre- and post) student loan counseling requirements





Savings & Assets/Credit & Debt

- Enact rollover and fee limits on payday and auto title loans
- Reform or remove asset limits for SNAP, CHIP
- Explore statewide certification for financial coaches
- Increase contributors (and contributions) to the Texas Financial Education Endowment
- Identify source of funding for Texas Save & Match
- Ensure public pension systems provide adequate retirement benefits to current and former employees





BETTER
TEXAS™

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**Center for Public Policy Priorities
7020 Easy Wind Drive, Suite 200
Austin, TX 78752
P (512) 320-0222 F (512) 320-0227**