



Examining Gaps in Economic Well-Being in Mississippi: Trends and High Priority Next Steps for Policymakers

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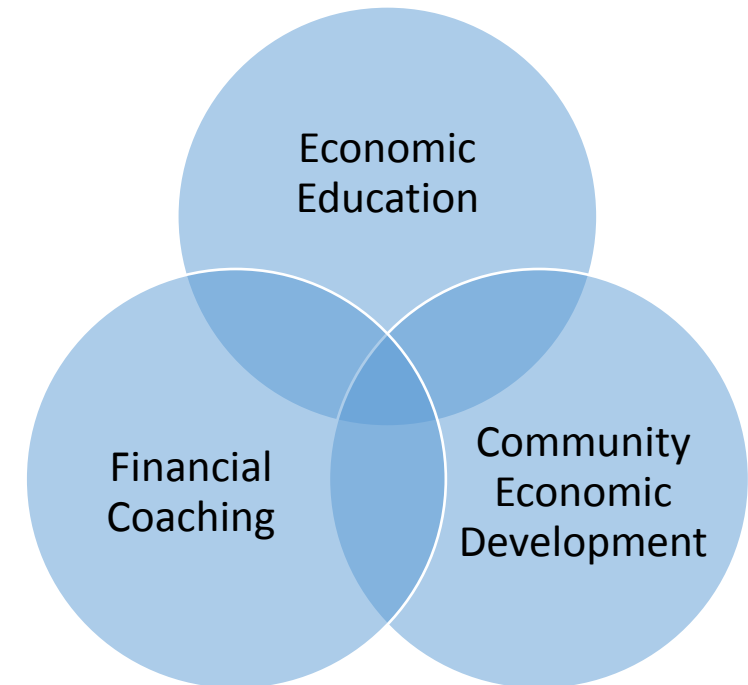


2018

1. MSU Extension Center for Economic Education and Financial Literacy
2. Family Resource Management in FCS Program Area
3. Community Economic Development MSU Extension Program Area

“Household financial health and well-being
is the bridge to a better life, a better
community, and a better economy.”

Ellen Seidman, *What It's Worth*



Goal is to increase assets for individuals, families, firms, and communities across MS

Questions

What is the optimal level of income/wealth inequality?

What do most people think is the main cause of persistent poverty?





Turning the Tide on Poverty:

Creating Vibrant Communities Together

SESSION ONE

SESSION TWO

SESSION THREE

SESSION FOUR

SESSION FIVE

Why Do We Have Poverty?

Here are some different views about why poverty exists.

View #1: Bad Things Can Happen

People can get sick or hurt. Health insurance, even when people can get it, will not always cover all the costs. Medical bills can push a person or a family into poverty. What if you lose your job or get divorced? Or what if there is a disaster, like a tornado or hurricane? When things like these happen, it can be hard to make ends meet.

View #2: Poor Education/Poor Schools

Children from low-income families often attend public schools that are poorly funded while wealthy families may send their children to private schools or charter schools. Without resources and quality teachers, students attending these poorer schools can't get the education and training they need to get and keep a job. The drop-out rate is high. It is tough for these kids to compete with children who go to better schools. This means they are less likely to get into college and less likely to qualify for good paying jobs. So they end up being poor.

View #3: Not Enough Jobs or Only Low Wage Jobs

In some places, there just are not enough jobs. If there are jobs, they only pay low wages. People want to work, but they can't find a job that will pay the bills. Some people hold two or more jobs, but they still cannot make enough to cover all their expenses. Lots of people who work are still in poverty. And they can't be sure that their jobs will last. Many businesses move away and take jobs with them or just end up closing their doors. Lots of people who work are still in poverty.

View #4: Racism

Some people and groups have tried to keep people down because of their skin color or because they come from a different ethnic group. People of color are more likely to be in poverty. And for people of color, it may be even harder to get out of poverty. Banks, bosses, schools and real estate agents may treat people of color or from different ethnic groups unfairly. Sometimes these barriers tend to keep people in poverty.

View #5: Content with the Status Quo

Some people are content with things the way they are or just don't want to rock the boat. Some people that have money think poverty doesn't affect them so they don't try to help make things better. Some that are in poverty don't think anything will ever change so they don't try to get out of poverty.

View #6: Bad Public Policy

Some public policies can keep people from trying to stand on their own. Some programs, like TANF (Welfare) or SNAP (Food Stamps), get abused or are used in the wrong way. Some policies may be unfair to certain groups of people. Sometimes, government programs that seem like good ideas end up not working well or have bad side effects.

Read through the Viewpoints and rank them 1-10 where #1 is your top rank

View #7: People Don't Take Responsibility

Some people just don't take personal responsibility. They don't look hard enough for jobs or they refuse to work. They don't use programs or resources, such as job training, or classes to complete their GED. They turn to drugs, gambling, alcohol, or crime. Some misuse credit and buy more than they can afford, which leads them to poverty.

View #8: Division by Social Class

Even though we don't want to admit it, every community is divided by class. There are people who have money and resources and there are those who have few, if any, of these resources. In between these two groups are members of the middle class. Sometimes these class divisions make us think that we cannot work together to get anything done about poverty. And sometimes those with power and money control what happens in the community. They just look out for themselves and take care of their friends by providing them with jobs and favors. They keep everyone else down which hurts community spirit.

View #9: Lack of a Support Network

Money is not the only thing people need to succeed in life. They need a network of people and groups that can offer other kinds of help along the way. They may need help with job training, transportation, child care, or just moral support when things are getting them down. Some need help to get over addictions or depression. Without support from family, friends, and the community, it is hard to get out of poverty.

View #10: Growing Number of Single Parent Families

More and more children are being born to single-parent families. It is hard to keep a job and care for your children when you are a single parent. Having only one paycheck makes it difficult to pay for childcare, to buy enough food for the family or to have a car to get to work. There just isn't enough money or time to take care of everything a family needs.

<http://srdc.msstate.edu/tide/>

CAUSES OF POVERTY—RESEARCH CONTINUUM

INDIVIDUAL BEHAVIORS AND CIRCUMSTANCES	COMMUNITY CONDITIONS	EXPLOITATION	POLITICAL/ECONOMIC STRUCTURES
<i>Definition:</i> Research on the choices, behaviors, and circumstances of people in poverty	<i>Definition:</i> Research on resources and human and social capital in the city or county	<i>Definition:</i> Research on the impact of exploitation on individuals and communities	<i>Definition:</i> Research on political, economic, and social policies and systems at the organizational, city/county, state, national, and international levels
<i>Sample topics:</i> ~ Racism ~ Discrimination by age, gender, disability, race, sexual identity ~ Bad loans ~ Credit card debt ~ Lack of savings ~ Skill sets ~ Dropping out ~ Lack of education ~ Alcoholism ~ Job loss ~ Teen pregnancies ~ Early language experience ~ Street crime ~ Dependency ~ Work ethic ~ Lack of organizational skills	<i>Sample topics:</i> ~ Racism ~ Discrimination by age, gender, disability, race, sexual identity ~ Layoffs ~ Middle class flight ~ Plant closings ~ Underfunded schools ~ Weak safety net ~ Criminalizing poverty ~ Charity that leads to dependency ~ Brain drain ~ City and regional planning ~ Mix of employment/wage opportunities ~ Loss of access to high-quality schools, childcare, and preschool ~ Downward pressure on wages	<i>Sample topics:</i> ~ Racism ~ Discrimination by age, gender, disability, race, sexual identity ~ Payday lenders ~ Lease/purchase outlets ~ Subprime mortgages ~ Sweatshops ~ Human trafficking ~ Employment and labor law violations ~ Wage and benefits theft ~ Some landlords ~ Sex trade ~ Internet scams ~ Drug trade ~ Poverty premium (the poor pay more for goods and services) ~ Day labor	<i>Sample topics:</i> ~ Racism ~ Discrimination by age, gender, disability, race, sexual identity ~ Return on political investment (ROPI) ~ Bursting “bubbles” ~ Free trade agreements ~ Lack of wealth-creating mechanisms ~ Stagnant wages ~ Insecure pensions ~ Deindustrialization ~ Increased productivity ~ Minimum wage, living wage, self-sufficient wage ~ Globalization ~ Declining middle class ~ Decline in unions ~ Taxation patterns

Source: *Getting Ahead in a Just-Getting'-By World* Workbook Revised Edition by Philip E. DeVol (2013).

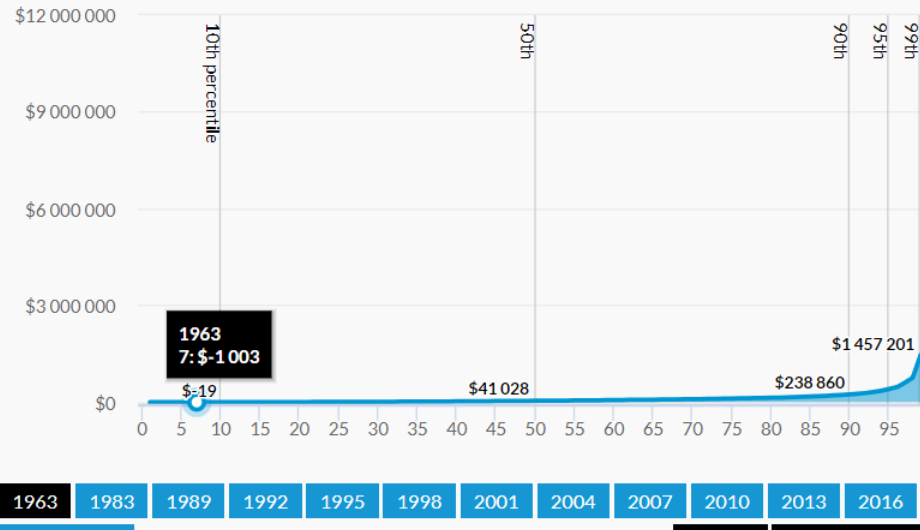


Features :: Nine Charts about Wealth Inequality in America (Updated)

1 Wealth inequality is growing

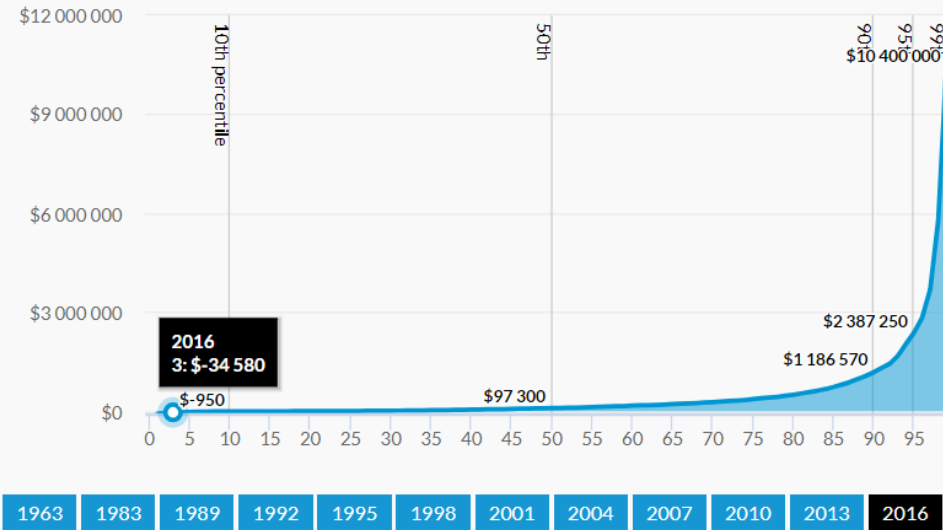
Distribution of Family Wealth, 1963–2016

Click and drag to zoom



Distribution of Family Wealth, 1963–2016

Click and drag to zoom



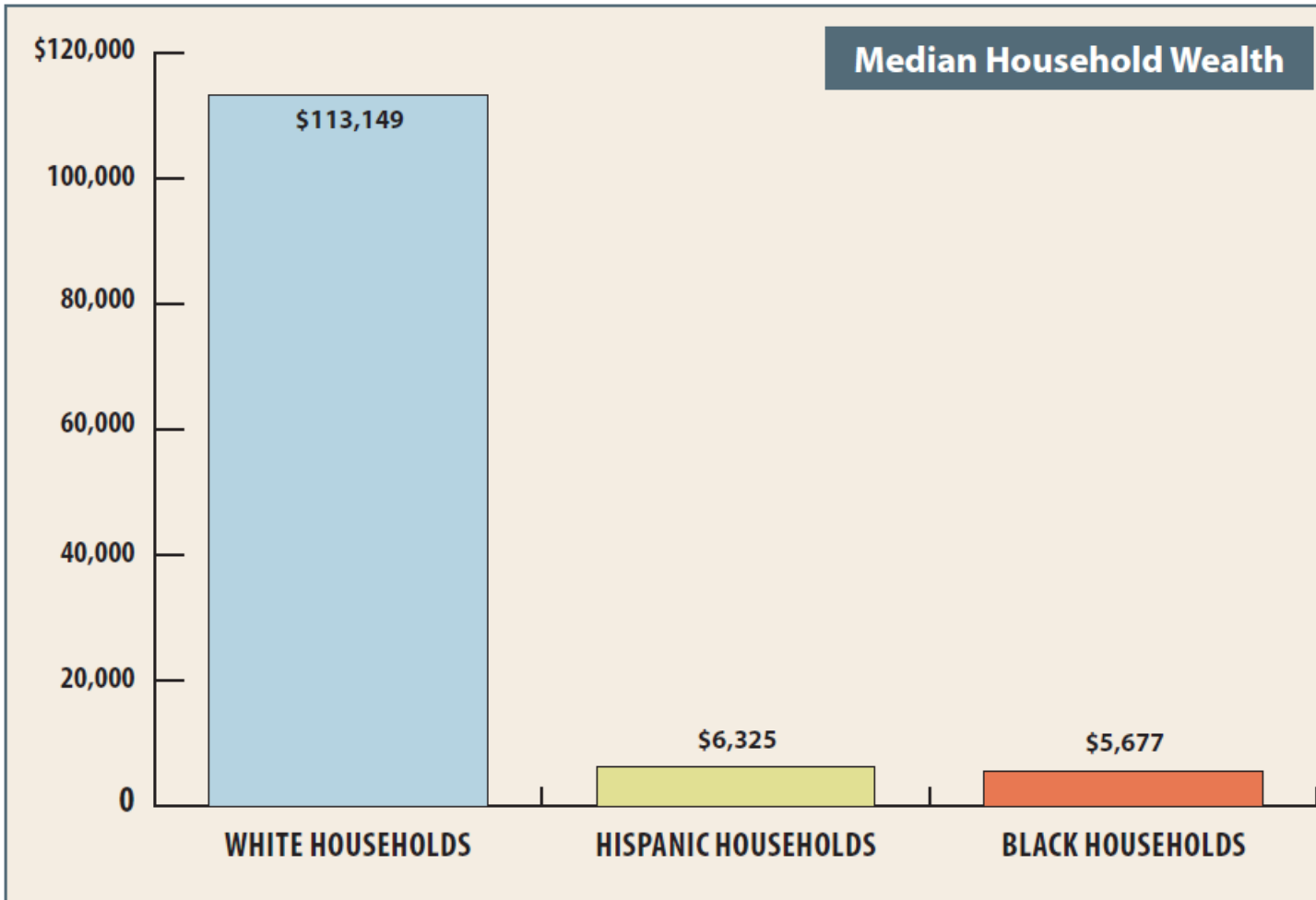
Average wealth has increased over the past 50 years, but it has not grown equally for all groups. Between 1963 and 2016,

- families near the bottom of the wealth distribution (those at the 10th percentile) went from having no wealth on average to being about \$1,000 in debt,
- those in the middle more than doubled their wealth,
- families near the top (at the 90th percentile) saw their wealth increase fivefold,
- and the wealth of those at the 99th percentile—in other words, those wealthier than 99 percent of all families—grew sevenfold.

These changes have increased wealth inequality significantly. In 1963, families near the top had six times the wealth (or, \$6 for every \$1) of families in the middle. By 2016, they had 12 times the wealth of families in the middle.

<http://apps.urban.org/features/wealth-inequality-charts/>



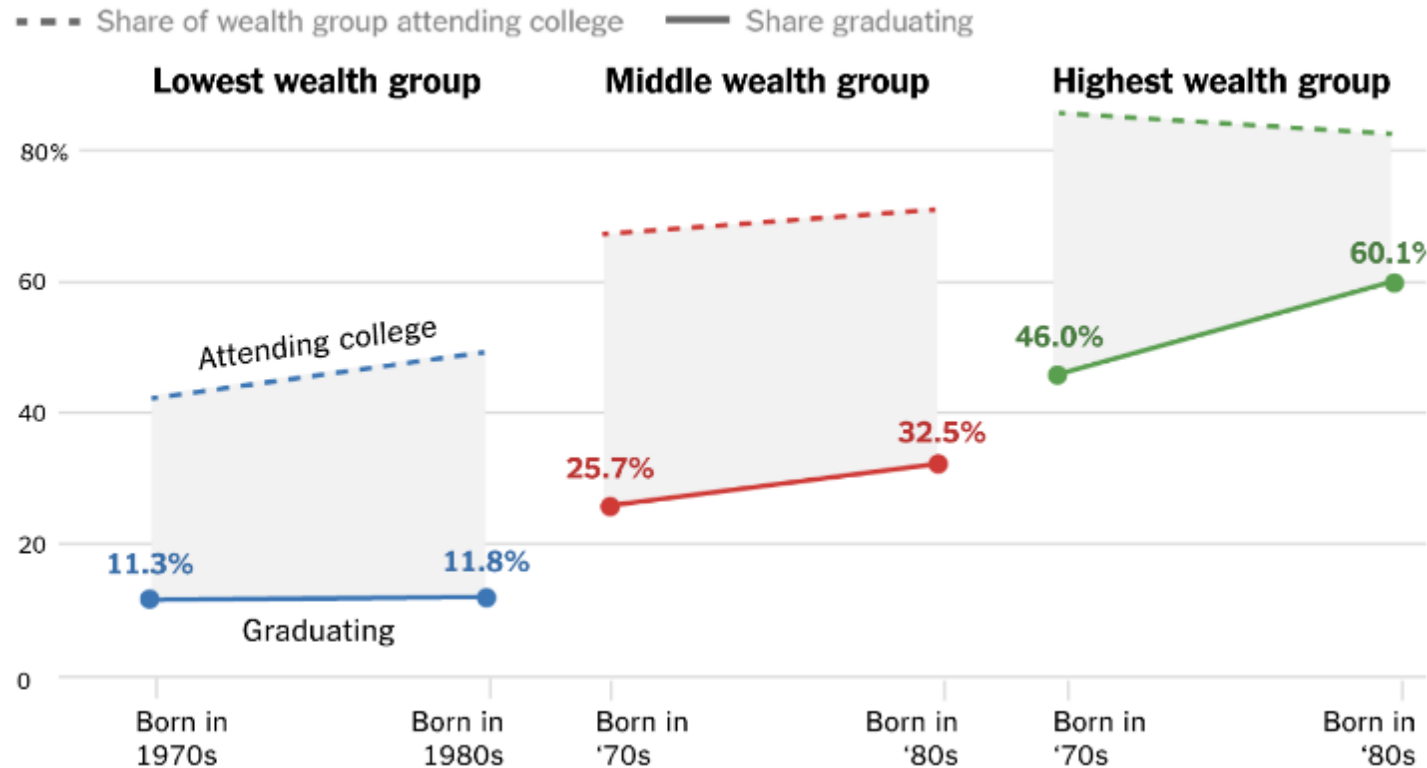


The median wealth of white U. S. households in 2009 was \$113,149, compared with \$6,325 for Hispanics and \$5,677 for Blacks, according to the analysis released by the Pew Research Center. Those ratios, roughly 20 to 1 for blacks and 18 to 1 for Hispanics, far exceed the low mark of 7 to 1 for both groups reached in 1995, when the nation's economic expansion lifted many low-income people to the middle class.

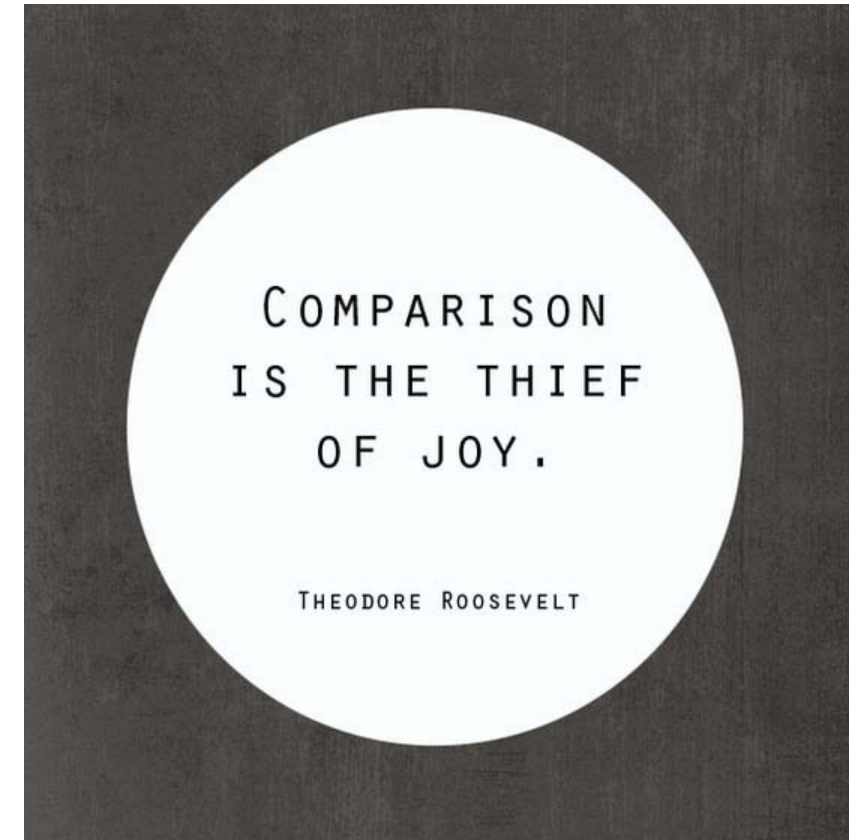


**FINANCIAL
FIRST AID
TOOL KIT**

More lower wealth individuals are going to college...but not graduating



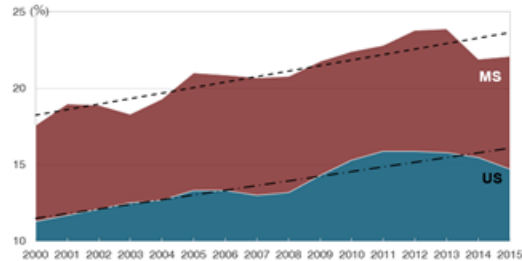
The Impact of Unequal Systems



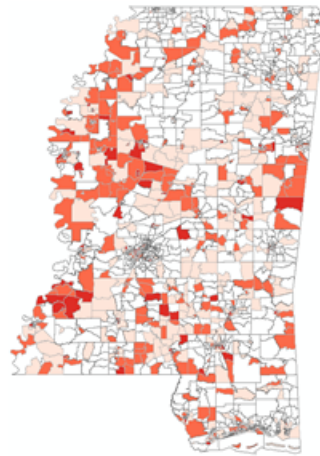
<https://www.youtube.com/watch?v=lKhAd0Tyny0>

Data for Mississippi

Poverty Rate: Trends



Poverty Rate 2015



Asset Poverty Rate

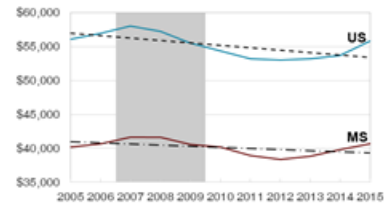
	Mississippi	US
Asset Poverty	27.8%	25.5%
Liquid Asset Poverty	53.4%	36.8%
Zero Net Worth	16.9%	16.9%
Unbanked	12.6%	7.0%

Note: Dotted lines in poverty rate and real median income are linear trend-lines for Mississippi and the US; the median income adjusted 2015-dollar value; the gray areas present the economic recession in the US.

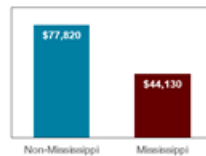
Date Source: 2012-2016 American Community Survey 1-year/5-year Estimates and Survey of Income and Program Participation 2014, Census Bureau; Prosperity Now Scorecard

Note: The geographical unit of poverty rate on the map is block group in Mississippi. Colored areas present poverty rates higher than the state's average (22.1%). Darker colors are areas that experienced the significantly higher rates than the state's average.

Real Median Household Income

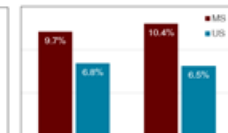


Median Net Worth



Note: "Deep poverty" is defined as living in a household with total cash income below 50 percent of its poverty income threshold (The U.S. Census Bureau).

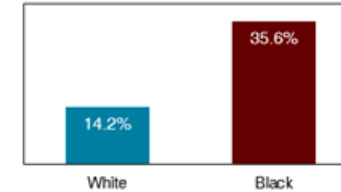
Deep Poverty* Rate



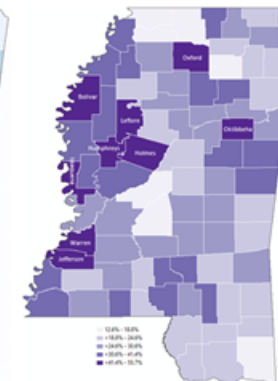
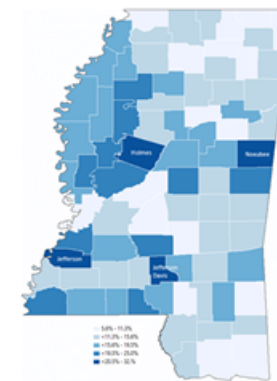
Asset Poverty

	MS	White	Black
Median Net Worth	\$44,130	\$73,400	\$19,400
Zero Net Worth	16.9%	13.8%	22.9%
Debt to Asset	11.9%	12.1%	11.8%
Asset Poverty	27.8%	22.7%	37.2%
Liquid Asset Poverty	53.4%	46.8%	65.9%

Poverty Rate by Races

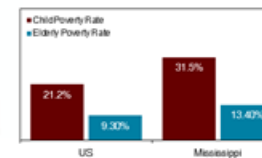


Geography of Poverty: Older (left) and Young Population (right)

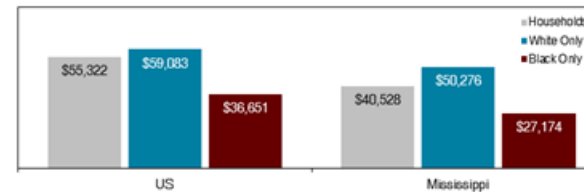


Note: The geographical unit of poverty rate on the map is county. Darker colors are counties that experienced the significantly higher poverty rates: Older population is aged 65 and over and young population is aged between 18 and 24.

Child and Elder Poverty



Household Median Income: White and Black



<http://scorecard.prosperitynow.org/>

NEWS RELEASE

2018 Scorecard Finds Policy Choices Preventing Millions from Achieving Prosperity
The Scorecard main findings report, *Whose Bad Choices? How Policy Precludes Prosperity and What We Can Do About It*, argues that policies at all levels of government are forcing families to make impossible choices, ultimately putting financial well-being farther out of reach.

[Download the Report Today](#)

PROSPERITY NOW SCORECARD

HOME DATA BY LOCATION DATA BY ISSUE REPORTS RESOURCES

EXPLORE DATA BY LOCATION

CHOOSE YOUR EXPERIENCE

EXPLORE DATA BY ISSUE AREA

<http://www.mobilitypartnership.org/>

US PARTNERSHIP ON MOBILITY FROM POVERTY

ABOUT PUBLICATIONS SEARCH

What would it take to dramatically increase mobility from poverty?

Read *Restoring the American Dream: What Would It Take to Dramatically Increase Mobility from Poverty?* >

Change the Narrative Create Access to Good Jobs Ensure Zip Code Is Not Destiny Provide Support that Empowers Transform Data Use

<http://www.pewresearch.org/topics/poverty/>

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Poverty

PEW RESEARCH CENTER | OCTOBER 6, 2017

Americans deepest in poverty lost more ground in 2016

The official poverty rate last year was close to its pre-Great Recession level, but the share of the U.S. poor in severe poverty increased.

PEW RESEARCH CENTER | SEPTEMBER 6, 2017

5 facts about Millennial households

Millennials trail Baby Boomers and Generation Xers in the number of households they head. But Millennial-run households represent the largest group in some key categories, such as the number in poverty or the number headed by a single mother.

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OTHER TOPICS

FILTER BY YEAR

2017	2016	2015	2014
2013	2012	2011	2009
2008	2007	2006	

Asset Funders Network

THE ISSUE OUR NETWORK RESOURCES UPDATES EVENTS

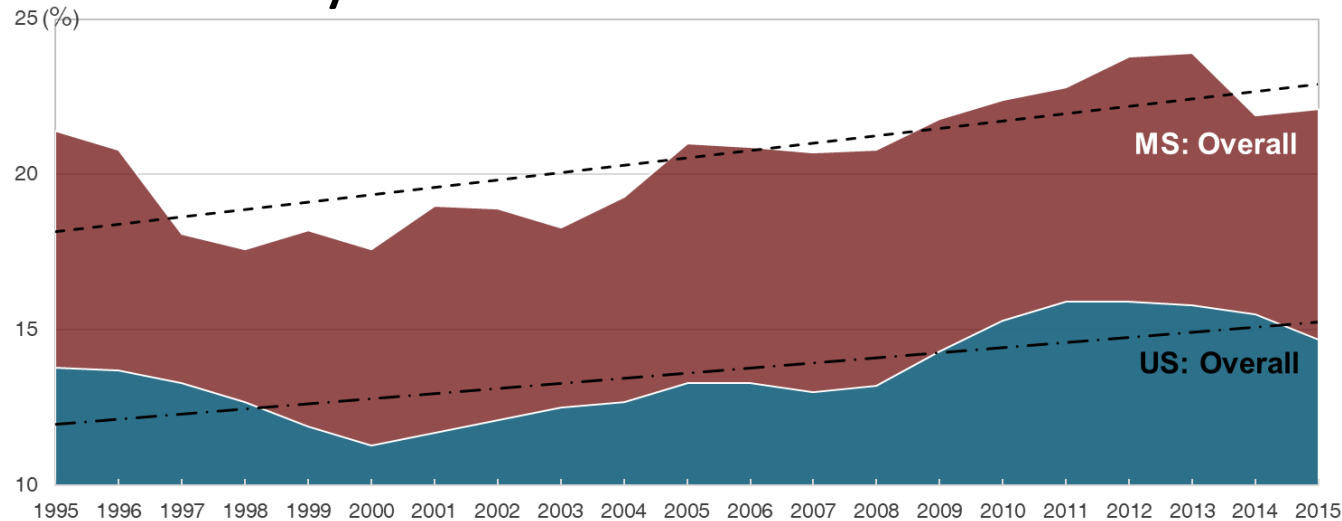
What is Asset Building?

- Remain stable through financial emergencies.
- Stay in their homes and neighborhoods.
- Use their good credit to secure a mortgage.
- Pursue higher education for themselves or their children.
- Take risks that result in a better job or starting a business.
- Save for retirement.

Asset building is how individuals, and communities gather the resources that will move them towards economic well-being, for now and for years to come.

Poverty

- Poverty trends

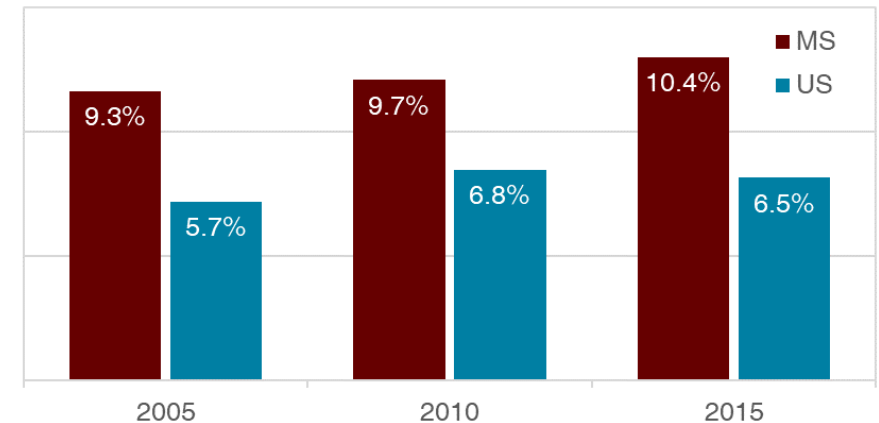


- 22.1% in Mississippi, 2015 (14.7% in the US): the worst state in the income poverty
- 638 thousand Mississippians experienced income poverty

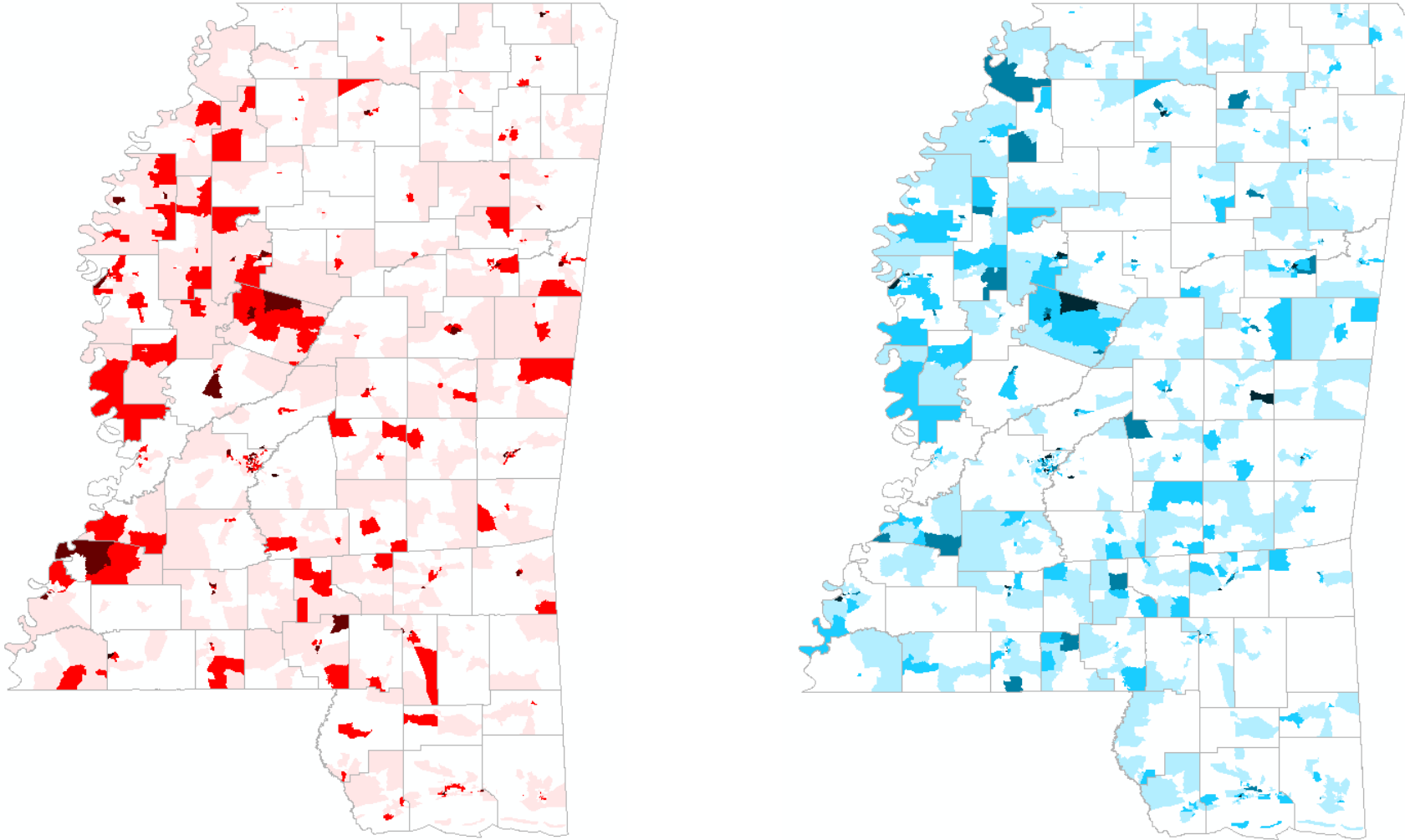
- Deep poverty rate

- 47.3% of the population in poverty suffered from the deep poverty

- Data source: SAIPE, US Census Bureau (Poverty trends); ACS 1-year Estimates , US Census Bureau (Deep poverty rate)



Poverty (left) and Deep poverty (right)

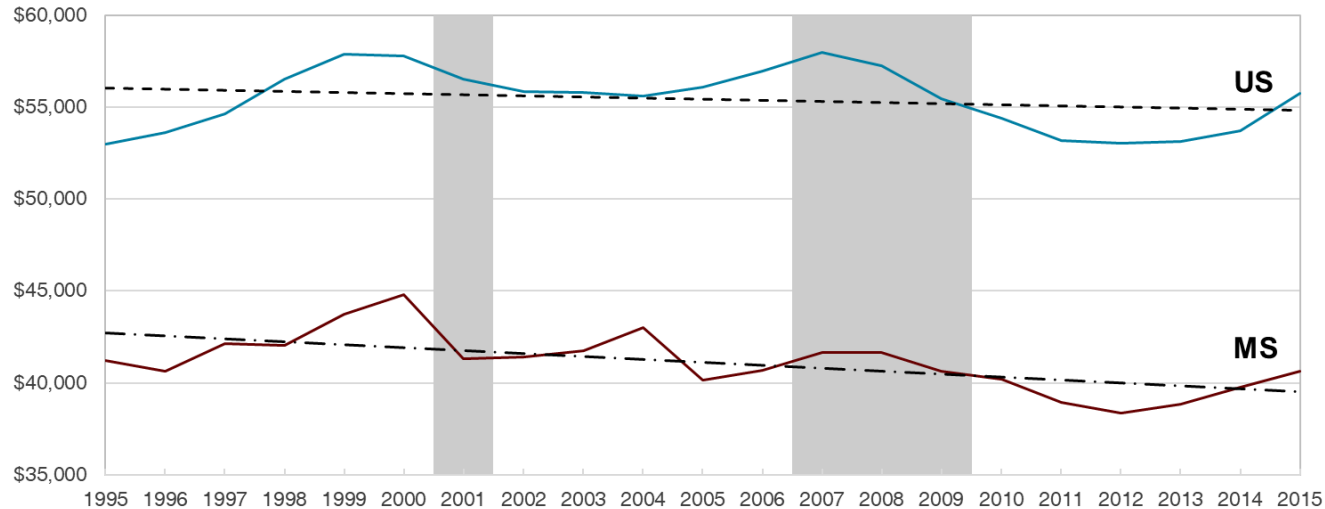


* Colored areas are that regional poverty rates are worse than the state average (22.1% in poverty rate and 10.4% in deep poverty rate). Darker areas are worse in poverty and deep poverty.

Income

- Data source: SAIPE, US Census Bureau (Median income trends); ACS 5-year Estimates 2011-2015, US Census Bureau (Income source)

• Real Median Income Trends



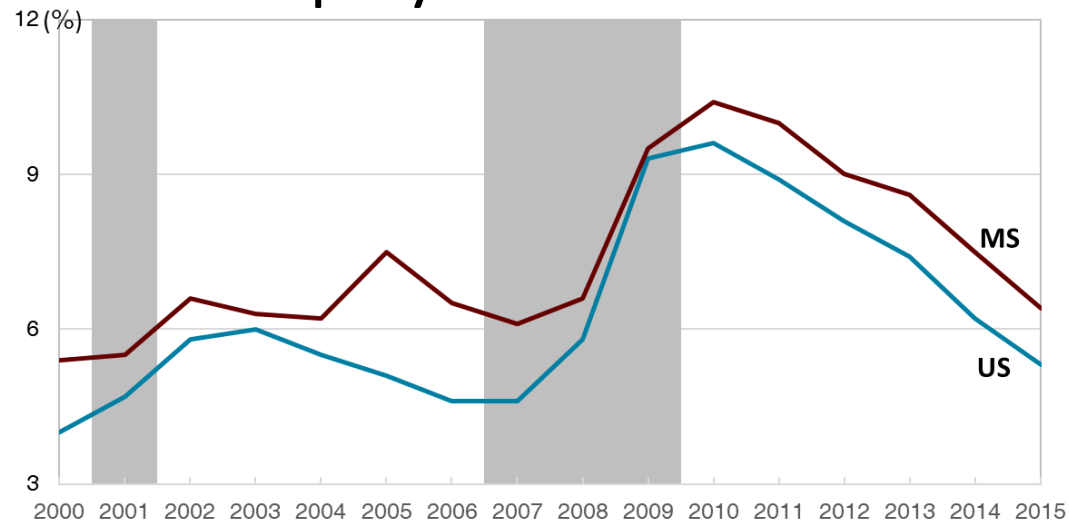
- in 2015 \$ value
- \$40,630 in Mississippi, 2015 (\$55,775 in the US)
- The trend of MS real income is downward

• Average Household Income by Income Source

Income source:	2015		% Change from 2009	
	Mean	Households	Mean	Households
Wage or salary	\$56,490	768,456	-0.1%	-2.9%
Self-employment	\$32,070	91,931	-8.2%	-16.8%
Interest, Dividends, or net rental	\$12,972	137,995	-0.4%	-17.2%
Social Security	\$16,169	365,331	8.7%	8.0%
Supplemental security	\$8,740	88,696	12.1%	27.8%
Public assistant	\$2,720	30,505	7.4%	24.9%
Retirement	\$20,443	199,805	6.3%	12.6%
Other types	\$9,023	134,201	-9.3%	0.0%

Unemployment

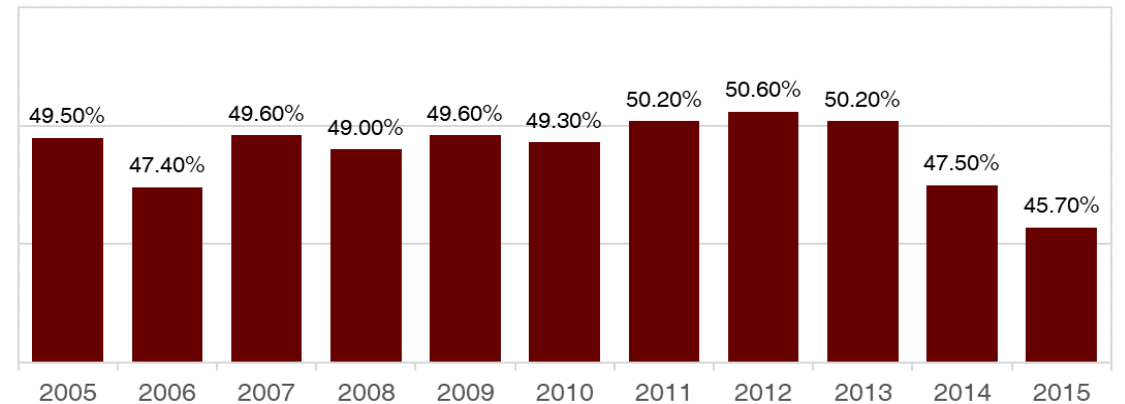
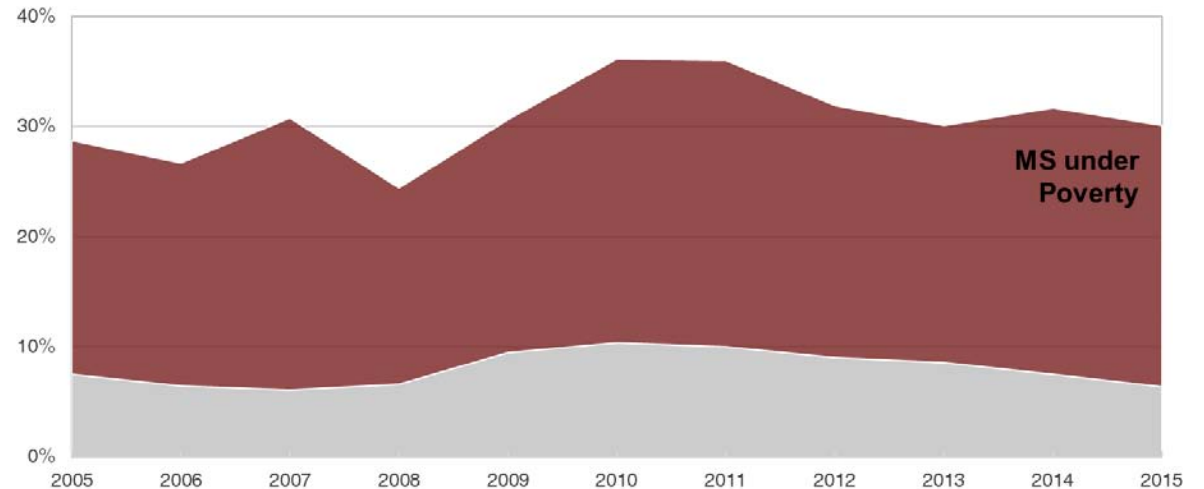
- Unemployment Rate Trends



- 46 of 100 in poverty status were working or seeking their jobs: 14 of 46 unemployed in 2015

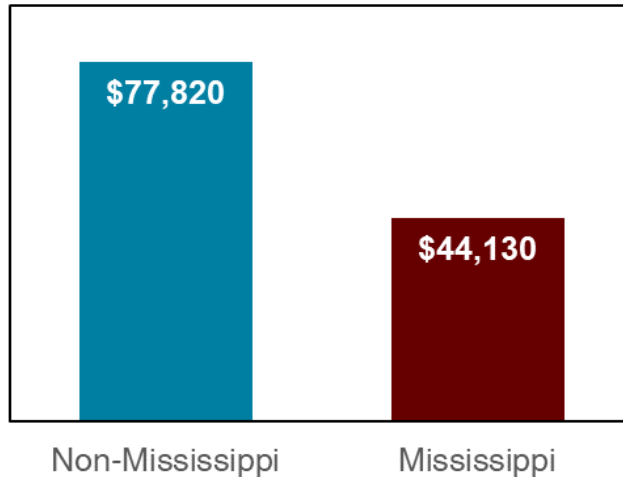
- Data source: LAUS, Bureau of Labor Statistics (Unemployment rate trend); ACS 1-year Estimates, US Census Bureau (Unemployment rate and labor participation rate below poverty level)

- Unemployment Rate (top) and Labor Participation Rate (bottom) of Labor below Poverty Level



Net Worth, 2014

- Median Net Worth



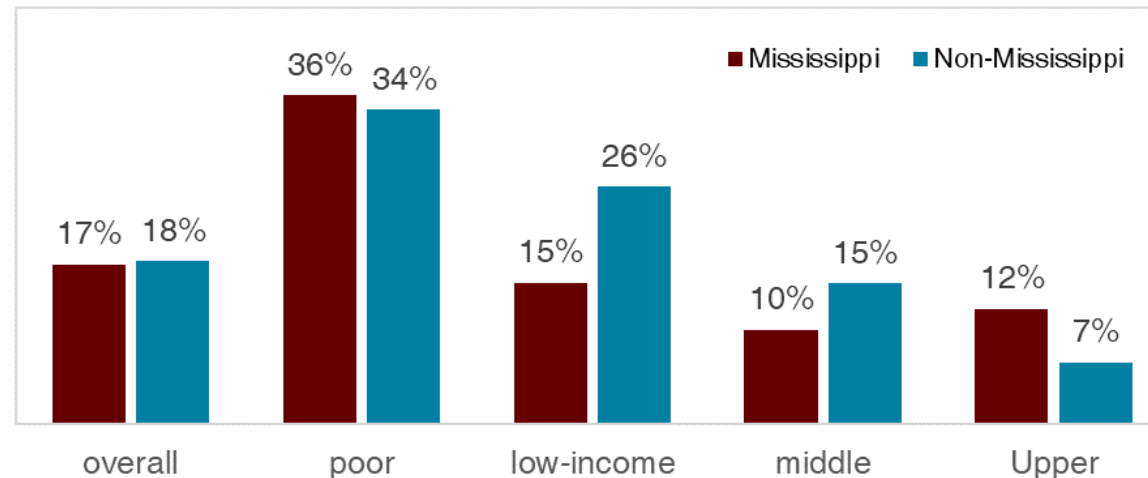
- Non-Mississippi's median net worth is 1.8 times higher than Mississippi's

- Data source: SIPP 2014, US Census Bureau

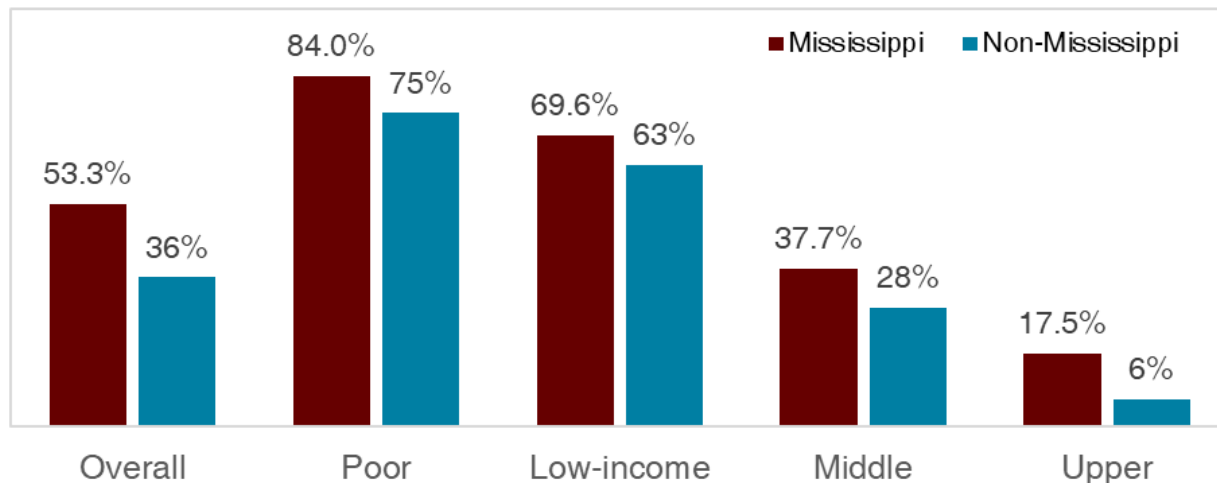
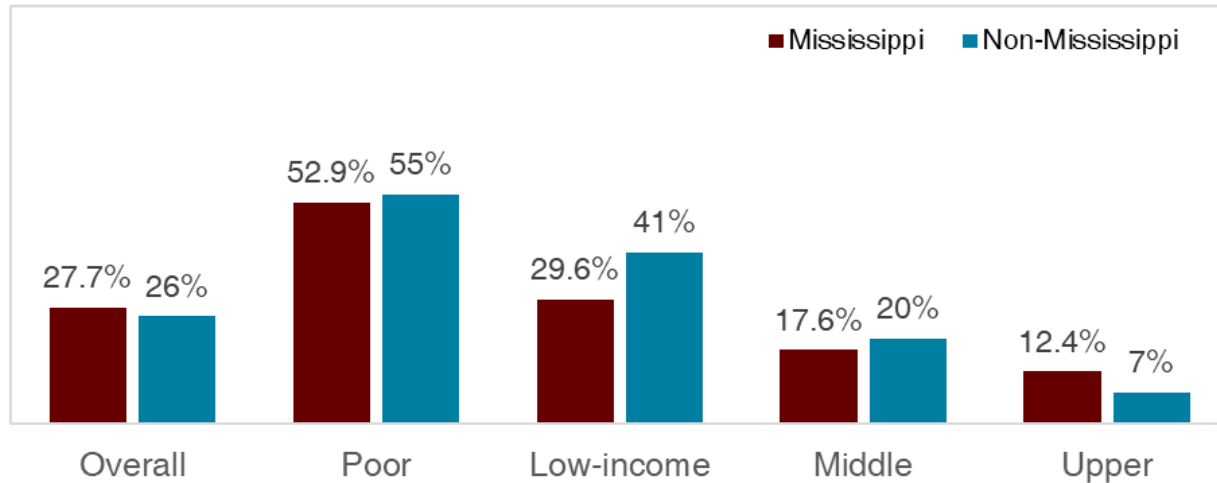
- Average of Net Worth by Income Class

Income Class	Non-MS household	MS household	Non-MS is x times
Overall	\$369,415	\$183,555	2.0
Poor	\$95,742	\$44,908	2.1
Low-income	\$109,550	\$96,627	1.1
Middle	\$262,069	\$221,597	1.2
Upper	\$949,093	\$492,698	1.9

- % of HHs with Zero (or Negative) Net Worth

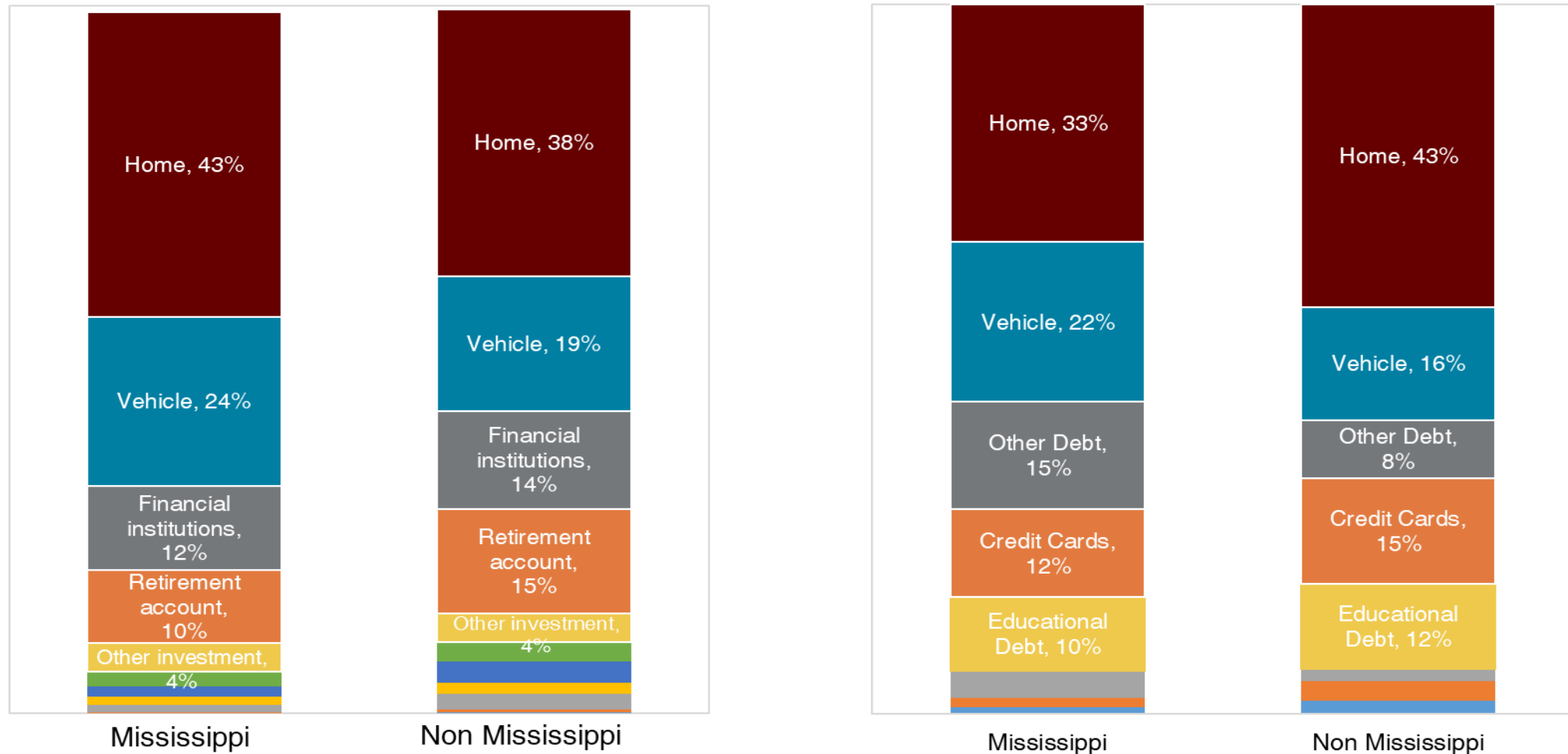


Asset (top) and Liquid Asset (bottom) Poverty



- Almost the same level of asset poverty rate to the non-Mississippi household
- Over a half of Mississippi household in liquid asset poverty
- 84% of poor households and 70% of low-income households do not have a sufficient liquid asset when they face the unexpected financial hardship

Components of Assets (left) and Debt (right)



- Data source: SIPP 2014, US Census Bureau

Assets and Debts by Income Class

Asset Type	MS-all	Poor	Low-income	Middle	upper
Home	43%	32%	48%	46%	40%
Vehicle	24%	42%	25%	18%	14%
Financial institutions	12%	16%	13%	10%	10%
Retirement account	10%	2%	7%	15%	16%
Other investment	4%	2%	4%	5%	6%
Business	2%	3%	1%	2%	4%
Money market	1%	0%	1%	1%	5%
Other real estate	1%	1%	1%	1%	3%
Rental property	1%	0%	0%	1%	3%
Bond	0%	0%	0%	0%	0%
Educational Savings account	0%	0%	0%	0%	0%
Non liquid Asset	67%	73%	73%	64%	54%
Liquid Asset	32%	25%	27%	35%	46%

Debt Type	MS-all	Poor	Low-income	Middle	upper
Home	33%	18%	31%	38%	40%
Vehicle	22%	18%	26%	22%	21%
Other Debt	15%	28%	21%	12%	4%
Credit Cards	12%	7%	12%	14%	13%
Educational Debt	10%	21%	9%	8%	9%
Business	4%	6%	0%	4%	7%
Rental Property	1%	1%	0%	2%	3%
Other real estate	1%	0%	0%	1%	3%

Financial Security

%	Year			
	2009	2011	2013	2015
Unbanked	16.2	15.1	14.5	12.6
Underbanked	-	23.6	32.8	25.5
Savings accounts	-	51.8	49.4	48.7
Income Volatility				24.3
Emergency savings				50.6

- Data source: SIPP 2014, US Census Bureau (Asset and Debts); National Survey of Unbanked and Underbanked Household, FDIC (Financial Security)

Living Wage (Hourly wages), 2017

Living Wage (Poverty Wage)	Related children under 18 years			
	None	One	Two	Three
1 Adult	\$10.86 (\$5.00)	\$21.29 (\$7.00)	\$23.44 (\$9.00)	\$28.77 (\$11.00)
2 Adults				
1 working full-time	\$18.17 (\$7.00)	\$21.36 (\$9.00)	\$24.37 (\$11.00)	\$26.68 (\$13.00)
1 working part-time		\$15.16		
2 working full-time	\$9.09 (\$3.00)	\$11.51 (\$4.00)	\$13.28 (\$5.00)	\$14.70 (\$6.00)

The living wage is the hourly rate that an individual must earn to support their family. The values are **per adult in a family**.

The Minimum wage is \$7.25 per hour. Full-time is considered as 2,080 hours per year. Part-time is defined as less than 35 hours per week of work.

- Data source: Living Wage Calculator, <http://livingwage.mit.edu/>

Living Expenses, 2017 (continued on next slide)

Annual Expense	1 Adult	1 Adult 1Child	1 Adult 2Children	1 Adult 3Children	2 Adults (1 working)	2 Adults 1Child	2 Adults 2Children	2 Adults 3Children
Food	\$2,986	\$4,394	\$6,613	\$8,777	\$5,474	\$6,807	\$8,786	\$10,702
Child Care	\$0	\$2,907	\$3,833	\$4,759	\$0	\$0	\$0	\$0
Medical	\$2,455	\$7,557	\$7,271	\$7,329	\$5,574	\$7,271	\$7,329	\$6,993
Housing	\$6,657	\$9,214	\$9,214	\$12,166	\$7,566	\$9,214	\$9,214	\$12,166
Transportation	\$4,314	\$8,914	\$9,358	\$11,234	\$8,914	\$9,358	\$11,234	\$11,190
Other	\$2,704	\$4,373	\$4,823	\$6,169	\$4,373	\$4,823	\$6,169	\$5,723
Annual taxes	\$3,473	\$6,929	\$7,641	\$9,407	\$5,895	\$6,951	\$7,948	\$8,714
Required annual income	\$22,589	\$44,288	\$48,752	\$59,842	\$37,796	\$44,423	\$50,681	\$55,488

- Data source: Living Wage Calculator, <http://livingwage.mit.edu/>

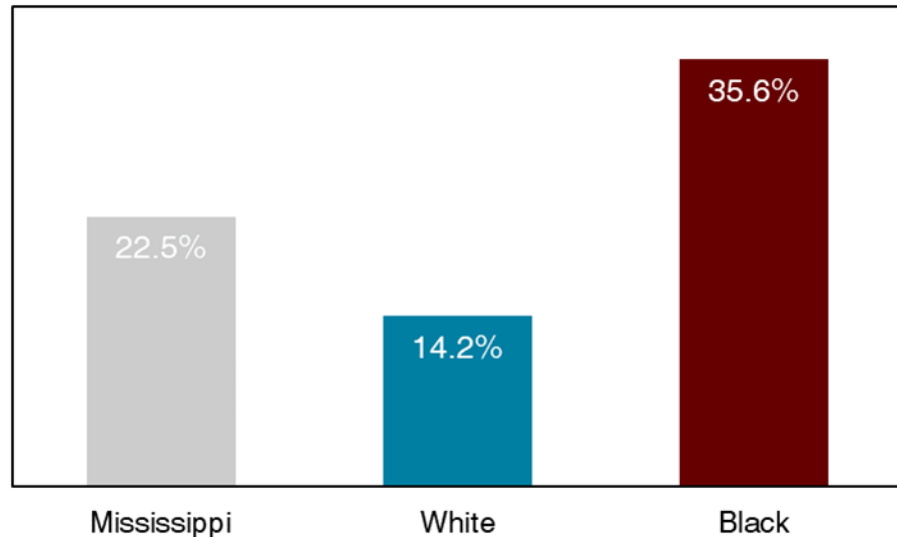
Living Expenses, 2017

Annual Expense	2 Adults (1 working Part-time) 1 Child	2 Adults (2 working)	2 Adults 1Child	2 Adults 2Children	2 Adults 3Children
Food		\$5,474	\$6,807	\$8,786	\$10,702
Child Care		\$0	\$2,907	\$3,833	\$4,759
Medical		\$5,574	\$7,271	\$7,329	\$6,993
Housing		\$7,566	\$9,214	\$9,214	\$12,166
Transportation		\$8,914	\$9,358	\$11,234	\$11,190
Other		\$4,373	\$4,823	\$6,169	\$5,723
Annual taxes		\$5,895	\$7,502	\$8,674	\$9,616
Required annual income	\$47,311	\$37,796	\$47,881	\$55,240	\$61,149

- Data source: Living Wage Calculator, <http://livingwage.mit.edu/>

Racial Inequality in Poverty and Income

- Poverty Rate in 2015 by Race



- Racial income and wealth gap is the persistent social issue in Mississippi, in which is getting better but still bad
- Racial composition of the population in Mississippi: 59% White, 39% Black, and 3% Others

- Household Income by Race

	2009				2015			
	Mean	Gap	Median	Gap	Mean	Gap	Median	Gap
MS state	\$56,338		\$40,652		\$54,906		\$39,665	
White only	\$67,215	+\$30,702	\$51,160	+\$24,717	\$64,882	+\$27,882	\$49,091	+\$22,542
Black only	\$36,513		\$26,443		\$37,000		\$26,549	

- Data source: ACS 1-year Estimates , US Census Bureau (Poverty rate); ACS 5-year Estimates 2011-2015, US Census Bureau (Household income)

Racial Inequality in Wealth

- Median Net Worth by Race

	White	Black	Relative Holdings per \$1 White wealth
Overall:	\$73,400	\$19,400	\$0.26
Poor	\$5,850	\$1,289	\$0.22
Low-income	\$26,180	\$27,580	\$1.05
Middle	\$105,980	\$43,657	\$0.41
Upper	\$206,210	\$168,000	\$0.81

- Zero Net Worth

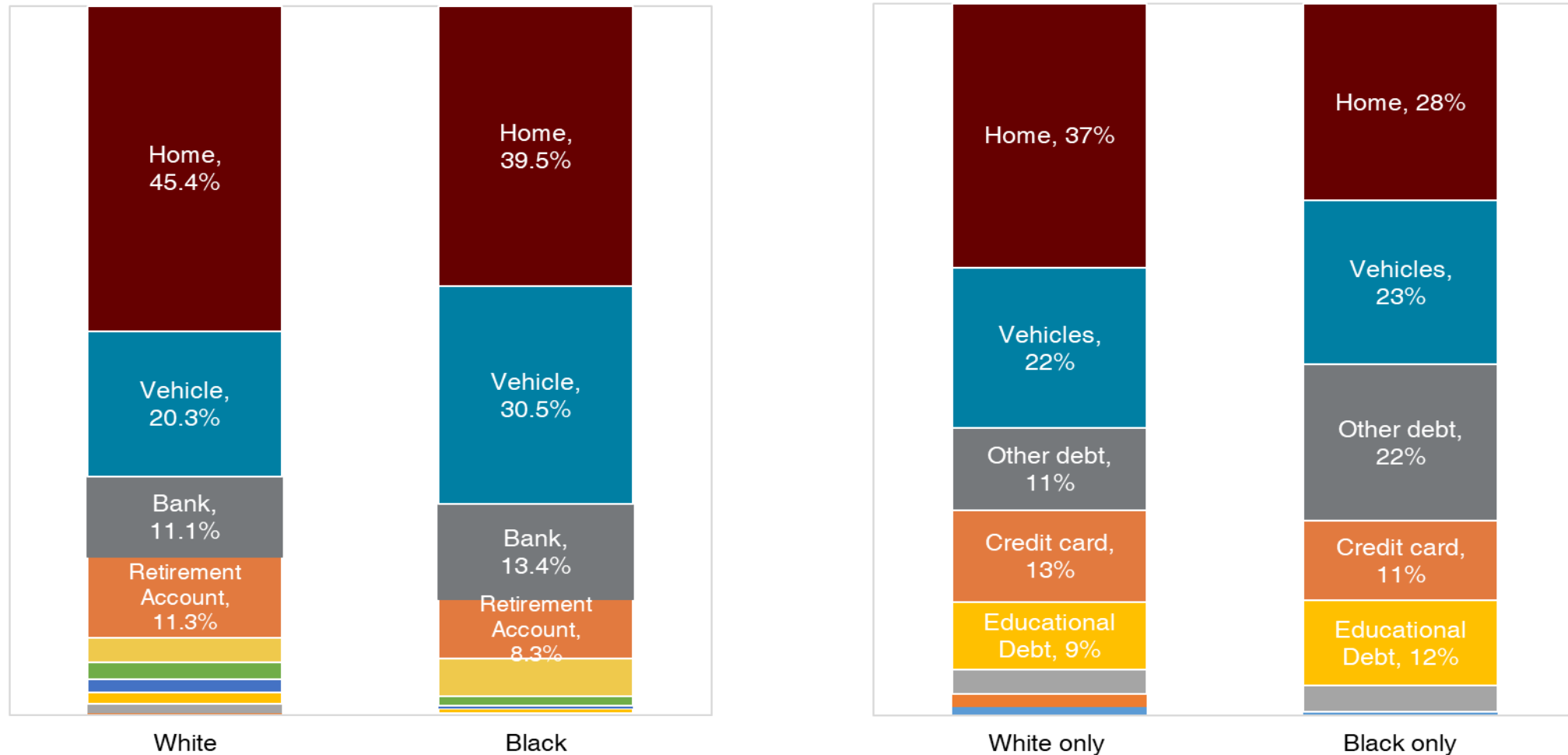
%	Mississippi	White	Black
Overall	17.2	13.8	22.9
Poor	35.5	31.2	39.8
Low-income	15.3	12.7	17.1
Middle	10.2	9.6	11.8
Upper	12.4	12.2	16.8

- Asset Poverty by Race

%	Mississippi	White (A)	Black (B)	% point gap (B-A)
Liquid Asset Poverty	53.3	46.8	65.9	19.7
Poor	84.0	77.6	87.3	9.7
Low-income	69.6	68.5	70.8	2.3
Middle	37.7	35.8	42.1	6.3
Upper	17.5	14.5	37.8	23.3
Asset Poverty	27.7	22.7	37.2	14.5
Poor	52.9	44.8	60.2	15.4
Low-income	29.6	26.6	32.6	6.0
Middle	17.6	17.2	19.3	2.1
Upper	12.4	12.2	16.8	4.6

- Data source: SIPP 2014, US Census Bureau
- Definition of (Liquid) Asset Poverty from *Prosperity Now Scorecard*

Components of Assets (left) and Debt (right)



- Data source: SIPP 2014, US Census Bureau

Assets and Debts by Race x Income class

Asset Type	White				Black			
	Poor	Low	Middle	upper	Poor	Low	Middle	upper
Home	36%	49%	48%	39%	28%	46%	42%	52%
Vehicle	35%	25%	16%	14%	48%	25%	22%	15%
Financial institutions	19%	13%	9%	9%	16%	13%	12%	12%
Retirement account	2%	7%	15%	16%	3%	7%	14%	14%
Other investment	0%	2%	4%	7%	3%	6%	7%	5%
Business	3%	1%	2%	3%	2%	0%	1%	3%
Money market	0%	2%	1%	5%	0%	0%	1%	1%
Other real estate	2%	1%	1%	4%	1%	0%	1%	0%
Rental property	0%	0%	2%	2%	0%	0%	0%	0%
Bond	0%	1%	0%	0%	0%	0%	0%	0%
Educational Savings account	0%	0%	0%	0%	0%	0%	0%	0%
Non liquid Asset	73%	75%	67%	59%	77%	72%	65%	66%
Liquid Asset	27%	25%	33%	41%	23%	28%	35%	34%

Debt Type	White				Black			
	Poor	Low	Middle	upper	Poor	Low	Middle	upper
Home	24%	38%	38%	39%	14%	22%	36%	47%
Vehicle	16%	26%	22%	23%	22%	25%	24%	18%
Other Debt	22%	12%	11%	4%	34%	32%	11%	0%
Credit Cards	9%	14%	14%	13%	6%	10%	14%	19%
Educational Debt	22%	10%	7%	8%	19%	9%	8%	13%
Business	4%	0%	3%	7%	5%	0%	5%	2%
Rental Property	2%	0%	2%	2%	0%	0%	0%	0%
Other real estate	0%	0%	1%	4%	0%	0%	1%	0%

- Data source: SIPP 2014, US Census Bureau

Financial Security

% Year	White				Black			
	2009	2011	2013	2015	2009	2011	2013	2015
Unbanked	5.5	5.1	5.7	6.7	33.5	30.8	29	21.5
Underbanked		19	29	20.9		31.7	40.1	32.1
Savings account		61.3	57.8	56.1		36.2	36.2	36.1
Income Volatility				24.7				23.2
Emergency Saving Rate				55.6				42.6

- Data source: National Survey of Unbanked and Underbanked Household, FDIC

Measures of Economic Well-Being and Sources of Data

Income and Poverty

- Defined by the *U.S. Census Bureau*
- **Poverty rate:** number of people with household incomes at or below 100% of their poverty threshold
- **Deep poverty:** household incomes below 50% of their poverty threshold
- Poverty thresholds: income dollar amounts to determine a household's poverty status. Thresholds vary according to the size of the household and the ages of its members
- **Household income:** income of the householder and all other people 15 years and older in the household

Unemployment and Labor Participation

- Defined by the *Bureau of Labor Statistics*
- Labor force: the sum of the employed and the unemployed, i.e., the number of people who are either working or actively seeking work
- **Unemployment rate:** number of unemployed people as a percentage of the labor force
- **Labor force participation rate:** the number of people in the labor force as a percentage of the civilian non-institutional population 16 years old and over

Wealth

- Four Income groups: the households are divided into four income groups—poor, low-income, middle, and upper—according to the percent of 2013 Federal Poverty Level (FPL)
 - Poor-class less than or equal 100 percent of the FPL
 - Low-income class between 100 and 200 percent of the FPL
 - Middle class between 200 and 600 percent of the FPL
 - Upper class above 600 percent of the FPL
- **Net worth:** assets minus liabilities, i.e., how much a person owns minus what they owe to others

Asset/Liquid Asset Poverty

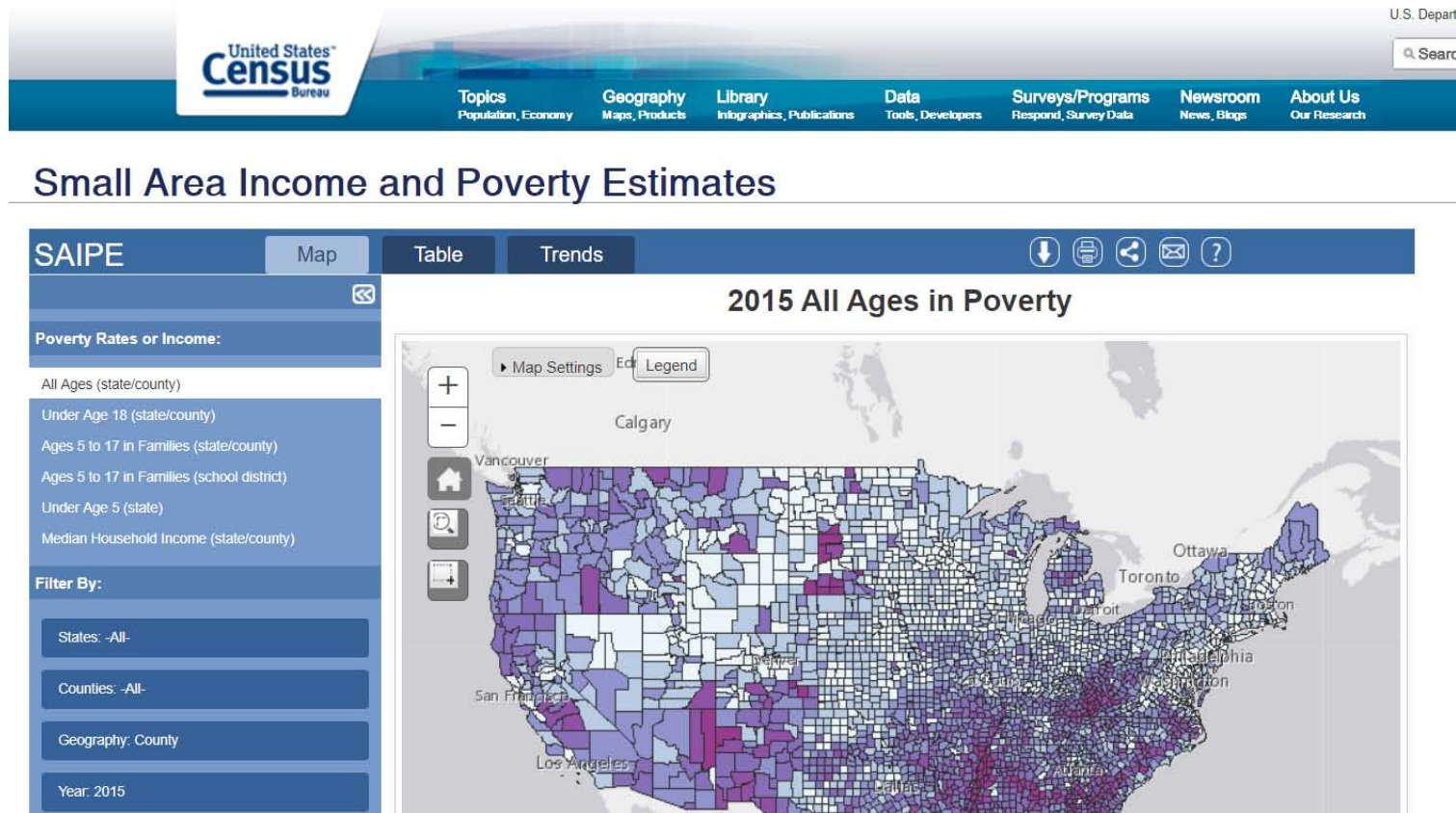
- Defined by *Prosperity Now Scorecard*
- **(Liquid) Asset Poverty:** the percentage of households without sufficient net worth (based on liquid asset) to subsist at the poverty level for three months under the financial crisis such as a job loss, medical emergency or the need to fix a car
- Liquid asset: it includes cash on hand or an asset that can be readily converted to cash, for example, bank account, other interest-earning accounts, equity in stocks and mutual funds, and retirement accounts

Financial Security

- Defined by *Federal Deposit Insurance Corporation*
- **Unbanked**: household not having a checking, savings, or money market account
- **Underbanked**: household having a checking or savings but also obtaining financial products and services outside of the banking system
- **Income volatility**: whether income varied somewhat/a lot from month to month
- **Emergency savings**: whether saved for unexpected expenses or emergencies in the past 12 months

Data: SAIPE

- Small Area Income and Poverty Estimates, the *U.S. Census Bureau*



- Provides yearly poverty rate, child poverty rate, and median household income by states and counties

Data: ACS

- American Community Survey, the *U.S. Census Bureau*
 - 1-year/ 3-year/ 5-year estimates provide population, demographic, and housing related data for communities.

The screenshot shows the top navigation bar of the U.S. Census Bureau website. It features the 'United States Census Bureau' logo on the left and five main menu items: 'TOPICS Population, Economy', 'GEOGRAPHY Maps, Products', 'LIBRARY Infographics, Publications', 'DATA Tools, Developers', and 'SURVEYS/PROGRAMS Respond, Survey Data'. Below the navigation bar is a breadcrumb trail: 'Census.gov > Our Surveys & Programs > American Community Survey (ACS)'. The main heading is 'American Community Survey (ACS)'. On the left side, there are two links: 'About the Survey' and 'Respond to the Survey'. The main content area contains a paragraph: 'The American Community Survey (ACS) helps local officials, community leaders, and businesses understand the changes taking place in their communities. It is the premier source for detailed population and housing information about our nation.'

United States
Census
Bureau

TOPICS
Population, Economy

GEOGRAPHY
Maps, Products

LIBRARY
Infographics, Publications

DATA
Tools, Developers

SURVEYS/PROGRAMS
Respond, Survey Data

Census.gov > Our Surveys & Programs > American Community Survey (ACS)

American Community Survey (ACS)


About the Survey

Respond to the Survey

The American Community Survey (ACS) helps local officials, community leaders, and businesses understand the changes taking place in their communities. It is the premier source for detailed population and housing information about our nation.

Data: SIPP

- Survey of Income and Program Participation, the *U.S. Census Bureau*
 - SIPP provides the information related to economic well-being, assets, debts, health insurance, food security, etc.



U.S. Department of Commerce | Blogs | Index A-Z | Glossary | FAQs

TOPICS
Population, Economy

GEOGRAPHY
Maps, Products

LIBRARY
Infographics, Publications

DATA
Tools, Developers

SURVEYS/PROGRAMS
Respond, Survey Data

NEWSROOM
News, Blogs

ABOUT US
Our Research

Search

Census.gov > Our Surveys & Programs > Survey of Income and Program Participation

Survey of Income and Program Participation

About this Survey

Information for Respondents

Data

Events


Guidance for Data Users

Library

Methodology

News


SIPP is the premier source of information for income and program participation. SIPP collects data and measures change for many topics including: economic well-being, family dynamics, education, assets, health insurance, childcare, and food security.



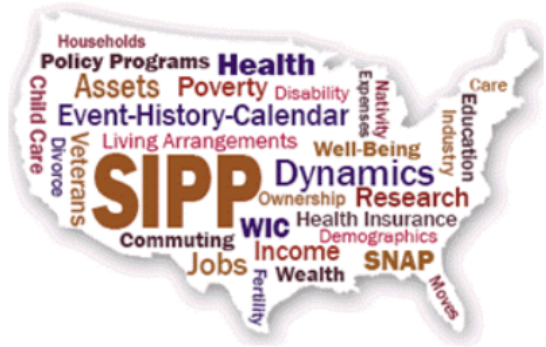
About SIPP



Re-engineering SIPP



Access SIPP Data



Data: LAUS

- Local Area Unemployment Statistics, *Bureau of Labor Statistics*
 - Provides annual employment, unemployment, and labor force for Census geographic units

The screenshot shows the official website of the Bureau of Labor Statistics for Local Area Unemployment Statistics (LAUS). The header is red with the BLS logo and navigation links. The main content area is white with a red title 'Local Area Unemployment Statistics'. On the left is a sidebar with links to browse LAUS, including home, overview, news releases, databases, tables & maps, documentation, FAQs, and contact. The main text describes the LAUS program and provides links to announcements and seasonal adjustment procedures. On the right, there is a 'Latest Numbers' section showing unemployment rates for various states as of March 2018, each with a small line graph icon.

UNITED STATES DEPARTMENT OF LABOR
BUREAU OF LABOR STATISTICS

Home ▾ Subjects ▾ Data Tools ▾ Publications ▾ Economic Releases ▾ Students ▾ Beta ▾

Local Area Unemployment Statistics

BROWSE LAU

- LAU HOME
- LAU OVERVIEW
- LAU NEWS RELEASES
- LAU DATABASES
- LAU TABLES & MAPS
- LAU DOCUMENTATION
- LAU FAQs
- CONTACT LAU

SEARCH LAU

The **Local Area Unemployment Statistics (LAUS)** program produces monthly and annual employment, unemployment, and labor force data for Census regions and divisions, States, counties, metropolitan areas, and many cities, by place of residence. [More »](#)

Announcements

Information on changes in geography for the New England states is available at www.bls.gov/lau/neannouncement.htm.

Information on changes to the seasonal adjustment procedures for model-based estimates is available at www.bls.gov/lau/ssachanges2018.htm.

LATEST NUMBERS

UNEMPLOYMENT RATES, SEASONALLY ADJUSTED

Alabama	3.8%(p) in Mar 2018
Alaska	7.3%(p) in Mar 2018
Arizona	4.9%(p) in Mar 2018
Arkansas	3.8%(p) in Mar 2018
California	

Data: FDIC

- National Survey of Unbanked and Underbanked Household, *Federal Deposit Insurance Corporation*

ECONOMICINCLUSION.GOV

FDIC

[WHAT IS ECONOMIC INCLUSION?](#)

[SURVEYS & DATA](#)

[INITIATIVES](#)

[RESOURCES](#)

[NEWS AND UPDATES](#)

Home / Surveys & Data

Surveys & Data

As part of its ongoing commitment to expanding economic inclusion in the U.S., the FDIC works to fill the research and data gap regarding household participation in mainstream banking and the use of alternative financial services. The FDIC surveys help inform the efforts of financial institutions, policymakers, regulators, researchers, academics and others.

FREQUENTLY ASKED QUESTIONS

National Survey of Unbanked and Underbanked Households


2015	2013	2011	2009
------	------	------	------

The 2015 household survey results show that more than one in four households (26.9 percent) are either unbanked or underbanked, conducting some or all of their financial transactions outside of the mainstream banking system. Many of these households rely on alternative financial services (AFS) providers, while others use cash or other financial arrangements.

[EXPLORE 2015 SURVEY](#)
[CREATE CUSTOM DATA TABLE FOR 2015](#)
[NEW! CREATE CUSTOM CHART FOR 2015](#)
[DOWNLOAD RAW DATASET FOR 2015](#)

Data: Living Wage Calculator

- The MIT Living Wage Calculator Tool
 - It provides estimated cost of living in a community or a region based on typical expenses

 Living Wage Calculator [Articles](#)

Families and individuals working in low-wage jobs make insufficient income to meet minimum standards given the local cost of living. We developed a living wage calculator to estimate the cost of living in your community or region based on typical expenses. The tool helps individuals, communities, and employers determine a local wage rate that allows residents to meet minimum standards of living.

Select a Location

Alabama	Illinois	Montana	Rhode Island
Alaska	Indiana	Nebraska	South Carolina
Arizona	Iowa	Nevada	South Dakota
Arkansas	Kansas	New Hampshire	Tennessee
California	Kentucky	New Jersey	Texas
Colorado	Louisiana	New Mexico	Utah
Connecticut	Maine	New York	Vermont
Delaware	Maryland	North Carolina	Virginia

Next Steps for Policymakers & Educators

How can we use this information?

What needs to change?

What resources do we have?



EXTENSION

From Scarcity to Abundance: Understanding and Redesigning our Choices

Veil of Ignorance Thought Experiment

• How would you organize society?

No one knows his place in society, his class position or social status, nor does anyone know his fortune in the distribution of natural assets and abilities, his intelligence, strength, and the like. I shall even assume that the parties do not know their conceptions of the good or their special psychological propensities. The principles of justice are chosen behind a veil of ignorance.

Theory of Justice, 1971



John Rawls

Is it fair to take income away from those who earn it and give it to those who haven't?

Is it fair that the dogs of the very rich wear collars with real diamonds while some people don't have enough food?

What is the optimal level of redistribution?

What is Economic Justice?

Teaching the Ethical Foundations of Economics

Turning the Tide on Poverty: Creating Vibrant Communities Together

Why Be the Best Person?

Read the following passage and answer the questions that follow.

Types of People Who Don't Give Up

Some people give up when they are in a difficult situation. They think that the only way to get out of a bad situation is to give up. They think that if they give up, they will be able to get out of the situation. They think that if they give up, they will be able to get out of the situation. They think that if they give up, they will be able to get out of the situation.

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Principles of Justice

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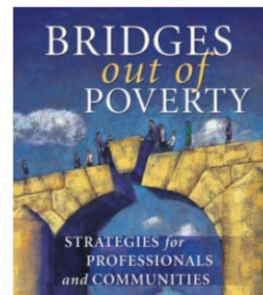
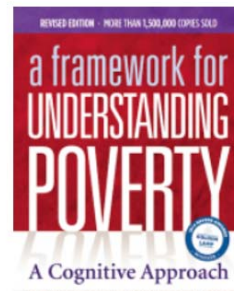
Principles of Justice

Principles of Justice

Principles of Justice

Principles of Justice

Students Learn A Powerful Lesson
About Privilege



Scarcity: Having Less Than You Feel You Need



EXTENSION

Effective Financial Education

FIGURE 2: MODEL OF FINANCIAL ACTION



Effective financial education:
Five principles and how to use them

The principles: How financial capability programs can support financial well-being.....

- 2.1 Know the individuals and families to be served.....
- 2.2 Provide actionable, relevant, and timely information
- 2.3 Improve key financial skills
- 2.4 Build on motivation
- 2.5 Make it easy to make good decisions and to follow-through on them.....

Financial Doing™



A FINANCIAL CAPABILITY CHECKLIST FOR FUNDERS

1. IDENTIFYING KEY BEHAVIORS. Programs must have the right dose of information at the right moment for the right audience.		KEY INGREDIENT
<input type="checkbox"/> Does the program focus on action and behavior change? <input type="checkbox"/> Is the program offered right before participants need to take an action—within two weeks of participants being able to make a behavior change? <input type="checkbox"/> Is the program focused on one behavior or topic at a time? <input type="checkbox"/> Is the program related to an issue participants can actively change right now? <input type="checkbox"/> Is each group education session short (i.e., less than one hour in length)?		JUST-IN-TIME
2. REDUCING BARRIERS. Programs have to occur in the right environment—one that is comfortable and with few barriers to taking financial action.		KEY INGREDIENT
<input type="checkbox"/> Is ongoing support and accountability provided to participants? <input type="checkbox"/> Is the program streamlined to reduce barriers and unnecessary steps, forms, and actions, and instead make the desired behavior easier or the default? <input type="checkbox"/> Are any desired behaviors automated (i.e., auto-transfers into savings or auto-enrollment in financial coaching)? <input type="checkbox"/> Does the program have participants complete actions during the session and not after, such as check credit scores, open accounts, or set up budgets? <input type="checkbox"/> Are participants sent goal reminders, action steps, and financial status updates to keep their goals top of mind and help them follow through on their actions?		ACCOUNTABILITY REDUCING BARRIERS REDUCING BARRIERS REDUCING BARRIERS REDUCING BARRIERS
3. AMPLIFYING BENEFITS. Programs must include the right motivation for participants.		KEY INGREDIENT
<input type="checkbox"/> Does the program use implementation interventions (helping people follow through by having them make specific plans to reach their goals) to increase participant follow-through? <input type="checkbox"/> Do participants connect to his or her future self through reflection on what the future look like when they have achieved their goal? <input type="checkbox"/> Is the program offer participants opportunities to connect to their peers who have demonstrated positive behaviors for learning and resources?		IMPLEMENTATION INTENTIONS FUTURE SELF SOCIAL PROOF



4. EVALUATION. Education must include measurement of outcomes in the right way.	
<input type="checkbox"/> Does the program have the ability to measure behavior outcomes (i.e., savings balances, paying bills on time, or credit scores) for a period of longer than three months? <input type="checkbox"/> Does the program have an adequate sample size of participants (i.e., 250 participants every three months) for authoritative experimentation or evaluation? <input type="checkbox"/> Does the program test its outcomes either through a controlled experiment (gold standard), A/B testing, or a post measure (bare minimum)?	

The Compelling Question of Modern Economics

How do we increase our standard of living?

- Decide on an economic system and establish the “Rules of the Game”:
 - What do we value?
 - How do we set up a system to reach our goals?
- Improve productivity
 - Specialize & Trade
 - Use Markets When Markets Work
 - Role of Prices and Demand and Supply
 - Buyer Beware
 - Role of Money and Inflation
 - Circular Flow and GDP and Unemployment
 - Use Government When Government Works
 - Rules of the Game, Public Goods, Externalities, Promote Competition, Income Inequality
 - Improve Human capital
 - Why are wages different?

Fundamental and Powerful Concepts of Economic Development



- 1. Gaps grow over time
 - We used to think that economies could “catch up,” but the data reveal that it is more likely that gaps grow over time
 - Cumulative
- 2. We are all connected
 - My productivity depends upon your productivity, your productivity depends upon my productivity
 - When human capital development is hindered for some, this limits the size of the pie
- 3. Infrastructure matters
 - Taking a person out of a place without good infrastructure and “dropping” him/her into a place with good infrastructure will increase her productivity

Conditions for Economic Development

- Four things must hold for the ***hopes of the future*** to outweigh the ***legacy of the past***:
 - 1. A high degree of interdependence among people;
 - 2. People must put a high weight on the future compared with the present;
 - 3. People must want to change; and
 - 4. The change needs to be evident in a reasonable amount of time

“Household financial health and well-being is the bridge to a better life, a better community, and a better economy.”

Ellen Seidman, *What It's Worth*

Low financial readiness affects not just individuals but has significant ripple effects on their families, communities, and ultimately the state and national economy.

The screenshot shows the homepage of the 'What It's Worth' website. The background is a photograph of a large suspension bridge over water. At the top left, the title 'WHAT IT'S WORTH' is displayed in large white letters. Below it are the logos for the 'FEDERAL RESERVE BANK OF SAN FRANCISCO' and 'PROSPERITY NOW'. On the top right, there is a navigation menu with links: 'Topics', 'Experts', 'The Book', 'About', and 'Insights'. Below the navigation menu, text states 'Funding for this project generously provided to Prosperity Now by Citi Foundation' with the Citi logo. The main headline in the center reads 'Let's strengthen the financial future of families, communities and the nation'. Below this headline is a red button that says 'Explore the Book' with a book icon. At the bottom left, there is a small image of the book cover for 'WHAT IT'S WORTH: STRENGTHENING'. At the bottom right, a paragraph of text explains the mission: 'Americans everywhere struggle to build strong financial futures for themselves and their families. The new book, *What It's Worth*, provides a roadmap for what families, communities and our nation can do to move forward on the path to financial well-being.'

WHAT IT'S WORTH

Topics Experts The Book About Insights

Funding for this project generously provided to Prosperity Now by Citi Foundation

Let's strengthen the financial future of families, communities and the nation

Explore the Book

Photo via Lawrence Chernin Flickr creative commons

WHAT IT'S WORTH: STRENGTHENING

Americans everywhere struggle to build strong financial futures for themselves and their families. The new book, *What It's Worth*, provides a roadmap for what families, communities and our nation can do to move forward on the path to financial well-being.

<http://www.strongfinancialfuture.org/>

Prosperity Now Scorecard



24.5%
OF CONSUMERS
HAVE AN ACCOUNT
IN COLLECTIONS.
IN SIX STATES
1 IN 3
CONSUMERS HAVE
AN ACCOUNT IN
COLLECTIONS

Source: NY Fed Consumer Credit
Panel/Saudia



PROSPERITY NOW
SCORECARD

Financial Assets & Income

Do all residents have adequate income and opportunities to build and protect wealth?

- ☐ Asset Limits in Public Benefit Programs
- ☐ Child and Child Care Tax Credits
- ☐ Debt Collection Protections
- ☐ EITC State Funding
- ☐ Individual Development Accounts
- ☐ Predatory Small-Dollar Lending Protections
- ☐ Prize-Linked Savings
- ☐ Property Tax Relief
- ☐ Retirement Security
- ☐ Tax Fairness
- ☐ Tax Prep Regulations
- ☐ Unemployment Comp. Using Prepaid Cards

Businesses & Jobs

Are there quality jobs or business ownership opportunities available to all residents?

- ☐ Microbusiness Support
- ☐ Minimum Wage
- ☐ Paid Leave
- ☐ Unemployed Entrepreneur Support
- ☐ Unemployment Benefits
- ☐ Workforce Development

Homeownership & Housing

Are there affordable and sustainable housing or homeownership opportunities available to all residents?

- ☐ First-Time Homebuyer Assistance
- ☐ Foreclosure Regulations
- ☐ Housing Trust Funds
- ☐ Post-Foreclosure Protections
- ☐ Protection from Discrimination for Low-Income Renters
- ☐ Redeveloping Foreclosed Properties
- ☐ Resident Ownership, Titling and Zoning of Manufactured Homes
- ☐ Tenant Protections from Foreclosure

Health Care

Is there broad access to affordable health insurance as protection against income interruption and asset depletion from medical bills?

☒ Limitations on Hospital Charges, Billing and

☐ Collections

☐ Medicaid Expansion

Education

Do residents have access to affordable education and training they need to get ahead?

<input type="radio"/> Children's Savings Accounts	<input type="radio"/> Full-Day Kindergarten	<input type="radio"/> Postsecondary Education Funding
<input type="radio"/> Financial Aid for Postsecondary Education	<input type="radio"/> Head Start State Funding	<input type="radio"/> Universal Pre-Kindergarten
<input type="radio"/> Financial Education in Schools	<input type="radio"/> In-State Tuition for Undocumented Students	

STEP 1. SELECT A STATE

Mississippi ▼

STEP 2. SELECT UP TO FOUR OUTCOME HIGHLIGHTS TO FEATURE ON THE FRONT PAGE

FINANCIAL
ASSETS
& INCOME

BUSINESSES
& JOBS

HOMEOWNERSHIP
& HOUSING

HEALTH CARE

EDUCATION

- ☐ 53.4% of Mississippi households live in liquid asset poverty
- ☐ 27.8% of Mississippi households live in asset poverty
- ☐ 20.0% of Mississippi households live in income poverty
- ☒ 36.2% of Mississippi credit users have prime credit
- ☐ 12.6% of Mississippi households are unbanked
- ☐ 48.7% of Mississippi households have savings accounts
- ☒ 50.6% of Mississippi households kept emergency savings in the past year
- ☐ 24.3% of Mississippi households experienced income volatility in the past year
- ☐ 25.5% of Mississippi households are underbanked

4 Selected (drag to sort)

- ☒ 36.2% of Mississippi credit users have prime credit
- ☒ 50.6% of Mississippi households kept emergency savings in the past year
- ☒ 37.1% of jobs in Mississippi are low-wage jobs
- ☒ 48.1% of renters in Mississippi are cost burdened

STEP 3. SELECT UP TO FOUR POLICIES TO FEATURE ON THE FRONT PAGE

FINANCIAL
ASSETS
& INCOME

BUSINESSES
& JOBS

HOMEOWNERSHIP
& HOUSING

HEALTH CARE

EDUCATION

- ☒ Has state eliminated TANF asset test? (N)



LOCAL OUTCOME REPORT
JACKSON, MS

PROSPERITY NOW
SCORECARD

The Prosperity Now Scorecard equips advocates, policymakers, practitioners and others with data on how residents in states, counties and cities are faring when it comes to their financial health and whether opportunities to prosper are equitable. These data jump-start a conversation about solutions and policies to put all households on stronger financial footing.

Financial Assets & Income

OUTCOME MEASURE	PLACE DATA	STATE DATA	US DATA
Asset Poverty Rate	39.0%	27.8%	25.5%
Income Inequality	5.6x higher for top 20%	5.5x higher for top 20%	4.9x higher for top 20%
Income Poverty Rate	25.6%	20.0%	13.4%
Income Poverty by Race	5.1x higher for HHs of color	2.2x higher for HHs of color	2x higher for HHs of color
Liquid Asset Poverty Rate	51.3%	53.4%	36.8%
Unbanked Households	14.7%	12.9%	7.0%
Underbanked Households	25.5%	25.5%	19.9%
Households with Zero Net Worth	27.3%	16.9%	16.9%

Businesses & Jobs

OUTCOME MEASURE	PLACE DATA	STATE DATA	US DATA
Business Value by Race	21.2x higher for white bus. owners	8.2x higher for white bus. owners	2.9x higher for white bus. owners
Business Value by Gender	8.9x higher for men	3.6x higher for men	3x higher for men
Unemployment Rate	12.1%	5.8%	4.9%
Unemployment Rate by Race	3.3x higher for workers of color	1.8x higher for workers of color	1.6x higher for workers of color

Homeownership & Housing

OUTCOME MEASURE	PLACE DATA	STATE DATA	US DATA
Affordability of Homes (value/income)	2.8x higher than median income	2.7x higher than median income	3.6x higher than median income
Housing Cost Burden - Homeowners	36.8%	26.6%	28.3%
Housing Cost Burden - Renters	62.5%	48.1%	49.7%
Homeownership Rate	52.1%	67.3%	63.1%
Homeownership by Race	1.6x higher for white HHs	1.5x higher for white HHs	1.6x higher for white HHs

Health Care

OUTCOME MEASURE	PLACE DATA	STATE DATA	US DATA
Employer-Provided Insurance Coverage	42.4%	51.1%	58.6%
Uninsured Rate	19.3%	13.9%	10.0%
Uninsured by Race	1.7x higher for people of color	1.3x higher for people of color	2.1x higher for people of color
Uninsured by Gender	1.2x higher for men	1.2x higher for men	1.2x higher for men
Uninsured Low-Income Children	6.3%	5.3%	6.1%

Education

OUTCOME MEASURE	PLACE DATA	STATE DATA	US DATA
Four-Year College Degree	26.4%	21.8%	31.3%
Four-Year Degree By Race	2.7x higher for white adults	1.6x higher for white adults	1.5x higher for white adults
Four-Year Degree By Gender	1.2x higher for men	1.3x higher for women	equal for men and women
Early Childhood Education Enrollment	55.0%	54.0%	48.0%

In order to generate more robust estimates at the local level, specifically estimates disaggregated by race, many local estimates are derived using five-year data averages. For more information on how local estimates are calculated, visit scorecard.prosperitynow.com/methodology.

A STATE POLICY BLUEPRINT

FOR A MORE INCLUSIVE PATH TO PROSPERITY

PROSPERITY
NOW



INCOME-SUPPORTS TO ENCOURAGE SHORT-TERM SAVINGS FOR WORKING FAMILIES OF COLOR:

People of color disproportionately work in low-wage occupations. Stretching and supplementing limited household income allows families to set aside savings. These policies help families get by and get ahead.

Policy Solution 1:

Establish a refundable state Earned Income Tax Credit that is at least 15% of the federal credit and expand eligibility to more workers.

Policy Solution 2:

Increase education funding for Head Start programs and provide a supplemental Head Start grant to help programs meet federal match requirements.

A STATE POLICY BLUEPRINT

FOR A MORE INCLUSIVE PATH TO PROSPERITY



REMOVE BARRIERS TO SHORT-TERM SAVINGS FOR PEOPLE OF COLOR:

Saving is difficult enough without policies that discourage and strip families of hard-earned savings. These policies aim to remove barriers and protect financial security.

Policy Solution 1:

Remove asset limits from public benefits programs (TANF, SNAP and LIHEAP) to ensure families are not penalized for saving. financial futures.

Policy Solution 2:

Protect consumers from the cycle of small-dollar debt perpetuated by predatory lenders.

A STATE POLICY BLUEPRINT

FOR A MORE INCLUSIVE PATH TO PROSPERITY



EMPOWERING COMMUNITIES OF COLOR TO SAVE FOR LONG-TERM GOALS:

Saving for long-term assets like education, homeownership and retirement are fundamental to prosperity and economic mobility over generations. These policies can promote access for historically marginalized groups.

Policy Solution 1:

Encourage matched savings programs like Individual Development Accounts.

Policy Solution 2:

Encourage saving for college through Children's Savings Account programs and lower tuition costs for undocumented students.

Policy Solution 3:

Promote access to retirement savings programs for workers without employer-sponsored plans and strengthen accompanying financial education.

A STATE POLICY BLUEPRINT

FOR A MORE INCLUSIVE PATH TO PROSPERITY



AFFORDABLE HOUSING & HOMEOWNERSHIP AS THE FOUNDATION OF BLACK & LATINO WEALTH:

Despite deep setbacks during the recession, affordable housing and homeownership remains critical to long-term wealth and prosperity. These policies help create opportunities for families to rent and own safely and sustainably.

Policy Solution 1:

Provide a range of supports for first-time homebuyers.

Policy Solution 2:

Pass legislation explicitly barring “source of income” discrimination to increase fair housing options.

Policy Solution 3:

Enact state-level property tax credit programs.