On Track or Left Behind?
National Release of the 2017 Prosperity Now Scorecard
July 25, 2017
Today’s Speakers

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Director of Applied Research
Housekeeping

- All webinar attendees are muted to ensure sound quality.
- The webinar is being recorded and will be available online.
- Ask a question or make a comment at any time by typing it into text box of GoToWebinar Control Panel.
- Ask questions and send comments through Twitter using #ProsperityNowScorecard.
Prosperity Now Scorecard

Andrea Levere
President
@ALevere
The Prosperity Now mission is to ensure everyone in our country has a clear path to financial stability, wealth and prosperity.
PROSPERITY NOW SCORECARD is a comprehensive resource featuring data on family financial health and policy recommendations to help put all U.S. households on a path to prosperity.

- CFED launches the Assets & Opportunity Scorecard (2005)
- CFED begins publishing the Scorecard annually (2012)
- Prosperity Now launches the Prosperity Now Scorecard (2017)

Prosperity Now Scorecard is a comprehensive resource featuring data on family financial health and policy recommendations to help put all U.S. households on a path to prosperity.

CFED

Prosperity Now

prosperitynow.org
53 Policy Measures
60 Outcome Measures
20 Disaggregated by Race
New Local Scorecard Measures

Color Map with Measure
HOMEOWNERSHIP RATE

BALTIMORE (CITY), MD
Homeownership Rate: 47.1%
"I mean, it's life. I'm trying to roll with the punches, and it's really hard. I'm trying to keep my head above the water. And it's really hard to do. I don't even understand how I'm able to make it."

Tasha, mother in Chicago

Prosperity means not just getting by, but getting ahead.
“I mean, it’s life. I’m trying to roll with the punches, and it’s really hard. I’m trying to keep my head above the water. And it’s really hard to do. I don’t even understand how I’m able to make it.”

- Tasha, mother in Chicago
The economy shows signs of gaining momentum, but only for a lucky few…

…large numbers of American families are left behind and barely scraping by.

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Prosperity Out of Reach for Many People of Color

BLACK HOUSEHOLDS

LATINO HOUSEHOLDS

WHITE HOUSEHOLDS
Who’s On Track for Prosperity: Key Findings

Kasey Wiedrich
Director of Applied Research
Economic Progress

UNEMPLOYMENT

UNDEREMPLOYMENT

INCOME POVERTY


UNEMPLOYMENT:

2006: 13.1%
2008: 12.7%
2010: 12.3%
2012: 12.6%
2014: 12.5%
2016: 10.8%

UNDEREMPLOYMENT:

2006: 8.9%
2008: 8.2%
2010: 8.3%
2012: 9.3%
2014: 8.1%
2016: 7.4%

INCOME POVERTY:

2006: 5.1%
2008: 4.6%
2010: 5.8%
2012: 8.1%
2014: 6.5%
2016: 5.4%
Economic Progress, But for Whom?

Unemployment is more than 2X higher for Black workers than White workers.

Income Poverty by Race & Ethnicity:

- White: 10.4%
- Asian: 13.1%
- Households of Color: 21.8%
- Latino: 22.2%
- Black: 24.8%
- Native American: 26.2%
Jobs Don’t Cover Cost of Living

1 in 4 jobs in the US is low wage.
Jobs Don’t Cover Cost of Living

MORE THAN 1 IN 3 JOBS ARE LOW-WAGE IN 6 STATES
Income Volatility

1 IN 5 HOUSEHOLDS HAVE SIGNIFICANT INCOME FLUCTUATIONS FROM MONTH TO MONTH

Source: FDIC

40% of those experiencing volatility struggled to pay their bills at least once because of the ups and downs in their incomes.

- Federal Reserve Board, Survey of Household Economic Decisionmaking
Measures of Savings

SAVINGS BEHAVIOR
Have Households Saved for Emergencies or Unexpected Expenses in the Past Year?

SAVINGS BALANCES
Do Households Have Enough Savings to Replace Income at the Poverty Level for Three Months?
Inability to Save

56% OF AMERICAN HOUSEHOLDS SET ASIDE SAVINGS LAST YEAR
Few Have Savings Cushion

OVER 1/3RD OF HOUSEHOLDS ARE LIQUID ASSET POOR

$6,150 FOR A FAMILY OF FOUR IN 2017
Little Savings to Smooth Volatility

LIQUID ASSET POVERTY
BY RACE & ETHNICITY

- WHITE: 28.8%
- ASIAN: 30.5%
- HOUSEHOLDS OF COLOR: 50.5%
- LATINO: 60.7%
- BLACK: 56.7%
Getting Ahead Pipe Dream for Many

MEDIAN NET WORTH

$76,708

BUT NEARLY

20 MILLION

HOUSEHOLDS

HAVE ZERO OR NEGATIVE NET WORTH
Wealth Inequality

MEDIAN NET WORTH BY RACE & ETHNICITY

WHITE
$127,200
ASIAN
$109,120
HOUSEHOLDS OF COLOR
$17,600
LATINO
$12,550
BLACK
$9,250

MEDIAN NET WORTH BY EDUCATIONAL ATTAINMENT

LESS THAN HIGH SCHOOL
$9,690
HIGH SCHOOL GRADUATE
$50,420
SOME COLLEGE
$54,870
BACHELOR’S DEGREE
$172,926
ADVANCED DEGREE
$299,531

Households with Adv. Degrees have 30x the Net Worth Of Households w/o High School Diplomas
Wealth Inequality

MEDIAN NET WORTH FOR STATES

MARYLAND
MEDIAN NET WORTH
$155,100

MISSISSIPPI
MEDIAN NET WORTH
$44,130
Flat Homeownership Rate

THE NATIONAL HOMEOWNERSHIP RATE HELD CONSTANT AT 63%

Source: American Community Survey
Disparities in Homeownership

Homeownership by Race & Ethnicity

- **White**: 71%
- **Asian**: 58%
- **Native American**: 53%
- **Latino/Hispanic**: 45%
- **African American**: 41%

Source: American Community Survey
THE PERCENTAGE OF CONSUMERS WITH PRIME CREDIT SCORES

ROSE ABOVE 50% FOR THE FIRST TIME
Growth in Businesses without Paid Employees

2013: 16.6%
2014: 18.2%
7.3% INCREASE

$194,500

MEDIAN HOME VALUES

3.9% INCREASE

$55,775

MEDIAN INCOME

Source: American Community Survey
UNINSURED RATES CONTINUE TO DECREASE NATIONALLY

2013: 16.7%
2014: 13.5%
2015: 10.9%

Source: American Community Survey
IMPROVEMENTS IN COVERAGE RESULTED IN IMPROVEMENTS IN HEALTH OUTCOMES IN KENTUCKY

Source: Kaiser Family Foundation State Health Facts
ON-TIME GRADUATION RATES FOR WHITE AND ASIAN STUDENTS REMAIN 10% HIGHER THAN BLACK, LATINO AND NATIVE AMERICAN STUDENTS

Source: US Department of Education
Questions?

Ask a question or make a comment by typing it into text box of GoToWebinar Control Panel.
Getting Back on Track: Policy Solutions

Solana Rice
Director,
State & Local Policy
@SolanaRice
Policies Impact Outcomes

The state outcome rankings reveal the impact of policy decisions, as evidenced by these states.
Policies Impact Outcomes

The state outcome rankings reveal the impact of policy decisions, as evidenced by these states.
States That Adopted State EITCs by 2016

- VT
- MA
- RI
- CT
- NY
- NJ
- MD
- DC

Adopted a refundable state EITC that is worth 15% of the federal credit by December 2016

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Policy Change

- Low-fee UI prepaid cards
- Prize-linked savings
- CDBG funding for microbusiness
Policy Change

4. Direct homebuyer loans
1. Funding Homeownership Counseling
1. Downpayment Assistance

Direct homebuyer loans
1. Funding Homeownership Counseling
Policy Change

1. Medicaid Expansion
2. Health Care
3. Head Start Funding
4. Financial Education
States With Positive Movement

3 positive changes: CA, KS, MO
2 positive changes: CA, KS, MO, NY, VA, LA

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States With Negative Movement

- MN: 3 negative changes
- OK: 2 negative changes
- NM: 2 negative changes
- Delaware: 3 negative changes
- Hawaii: 2 negative changes
Going Forward

- States to continue filling shortfalls in federal spending and private employer practices

- Big policy wins will be hard fought and require significant political will. Low-cost wins will be easier and possibly less impactful.
Prosperity Now Community Champions
Take action with Prosperity Now Campaigns!

Sign up to stay informed about the latest developments and opportunities to take action by joining one of our four federal policy campaigns.

**Homeownership**
Homeownership is key to building wealth. Together, we will advocate for products and policies that provide more affordable homes to more people.

**Consumer Protections**
Consumer protections create fairer, more transparent financial markets. Together, we will ensure consumers keep the safeguards they deserve.

**Safety Net**
Safety net programs help protect vulnerable individuals and families from falling deep into poverty. Together, we will protect programs like SNAP, IDAs and more to help those in need when they need it most.

**Turn It Right-Side Up**
The vast majority of tax incentives go to those at the top, not to those who need it most. Together, we will turn our upside-down tax code right-side up.
Questions?

Ask a question or make a comment by typing it into text box of GoToWebinar Control Panel.
New Scorecard Website

Welcome to the Prosperity Now Scorecard, a comprehensive resource for data on household financial health and policy recommendations to help put everyone in our country on a path to prosperity.
Data by Location

![Map showing liquid asset poverty rate by location in the United States.](image-url)
Data by Location – Metro Areas
Data by Location – Cities
Data by Location

Phoenix, AZ

The Scorecard provides several local measures of financial health in five issue areas. Explore the data below and compare your community to other cities, counties, metro areas and states.

SELECT AN ISSUE TO EXPLORE
+ SHOW DEMOGRAPHICS

SELECT AN ISSUE TO EXPLORE

FINANCIAL ASSETS & INCOME

EXPLORE OUTCOME MEASURES IN FINANCIAL ASSETS & INCOME

<table>
<thead>
<tr>
<th>MEASURE</th>
<th>VALUE</th>
<th>US</th>
<th>RELATED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Poverty Rate</td>
<td>31.7%</td>
<td>28.8%</td>
<td></td>
</tr>
<tr>
<td>Households with Zero Net Worth</td>
<td>21.7%</td>
<td>16.9%</td>
<td></td>
</tr>
<tr>
<td>Income Inequality</td>
<td>4.9:1</td>
<td>4.9:1</td>
<td></td>
</tr>
<tr>
<td>Income Poverty Rate</td>
<td>10.4%</td>
<td>13.8%</td>
<td>Data By Race</td>
</tr>
<tr>
<td>Income Poverty by Race</td>
<td>3.8:1</td>
<td>21:1</td>
<td></td>
</tr>
<tr>
<td>Liquid Asset Poverty Rate</td>
<td>48.1%</td>
<td>36.8%</td>
<td></td>
</tr>
<tr>
<td>Unbanked Households</td>
<td>10.8%</td>
<td>7.0%</td>
<td></td>
</tr>
<tr>
<td>Underbanked Households</td>
<td>19.6%</td>
<td>19.9%</td>
<td></td>
</tr>
</tbody>
</table>

Compare with Other Places
Oregon: Policies Adopted

Oregon had adopted 32 policies that help families build and protect wealth and prosperity.

**SELECT AN ISSUE TO EXPLORE**

- **11 out of 20**
  - Financial Assets & Income
- **7 out of 10**
  - Businesses & Jobs
- **9 out of 12**
  - Homeownership & Housing
- **1 out of 2**
  - Health Care
- **4 out of 9**
  - Education

**EXPLORE POLICY ADOPTION IN FINANCIAL ASSETS & INCOME**

<table>
<thead>
<tr>
<th>POLICY PRIORITY</th>
<th>POLICY</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Eliminated TANF asset test? 📬</td>
</tr>
<tr>
<td></td>
<td>Eliminated SNAP asset test? 📬</td>
</tr>
<tr>
<td></td>
<td>Eliminated LIHEAP asset test? 📬</td>
</tr>
<tr>
<td></td>
<td>CDCTC enacted? 📬</td>
</tr>
<tr>
<td></td>
<td>Refundable CTC? 📬</td>
</tr>
<tr>
<td></td>
<td>At least 2 major assets protected? 📬</td>
</tr>
<tr>
<td></td>
<td>Abusive debt buying practices protected against? 📬</td>
</tr>
<tr>
<td></td>
<td>Refundable state EITC is at least 15% of federal? 📬</td>
</tr>
<tr>
<td></td>
<td>Authorized state funding? 📬</td>
</tr>
<tr>
<td></td>
<td>Protect against payday lending? 📬</td>
</tr>
<tr>
<td></td>
<td>Protect against car-title lending? 📬</td>
</tr>
<tr>
<td></td>
<td>Protect against installment loans? 📬</td>
</tr>
<tr>
<td></td>
<td>No data available 📬</td>
</tr>
</tbody>
</table>
Data by Issue

Businesses & Jobs

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

Business ownership and job quality play an important role in helping families earn income and build wealth over time. Earned income is the single most important contributing factor to a household's ability to save money, access affordable credit and build assets, while business equity is second only to homeownership nationally as a share of household wealth.

Download Issue Area Analysis: Businesses & Jobs
bs

Small or business ownership opportunities available to all residents?

quality play an important role in helping families earn income and build wealth over time. The most important contributing factor to a household’s ability to save money, access credit, and build assets, while business equity is second only to homeownership nationally as a share of

Download Issue Area Analysis: Businesses & Jobs

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Data by Issue

or business ownership opportunities available to all residents?

Quality play an important role in helping families earn income and build wealth over time. The most important contributing factor to a household’s ability to save money, access credit, while business equity is second only to homeownership nationally as a share of

Businesses & Jobs
EITC State Funding

To augment low wages, state governments have increasingly used tax credits to help families escape poverty and put them on a path to prosperity. Tax credits available to low- and moderate-income families, such as the Earned Income Tax Credit (EITC), reduce the regressive tax burden on the working poor, put more money in their pockets, and make saving for the future possible. The EITC is the largest and most well-known tax credit for low-income workers. The federal credit and some state credits are refundable, meaning that if the EITC is greater than the amount of taxes owed, the taxpayer receives a refund.

What States Can Do

States can create their own versions of the EITC based on the structure and eligibility criteria of the federal credit. Ideally, the amount of the state credit should be at least 15% of the federal credit and fully refundable so that all low-income families, even those without a tax liability, can benefit from the credit.

Each state can determine the amount of the credit, its coverage, and family size adjustments; as well as whether and to what extent it will be refundable. States can also encourage families to save all or part of their refund by offering a “split refund” option on state income tax returns whereby filers can divide their refunds into more than one account. Working in conjunction with the Internal Revenue Service, even states without a broad-based income tax can create a refundable EITC structured around the federal credit.

<table>
<thead>
<tr>
<th>State</th>
<th>Refundable state EITC is at least 15% of federal?</th>
<th>State EITC</th>
<th>Refundable state EITC</th>
<th>State EITC is 15% of federal?</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>—</td>
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<tr>
<td>Alaska</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>—</td>
</tr>
<tr>
<td>Virginia</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>—</td>
</tr>
<tr>
<td>Arkansas</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>—</td>
</tr>
<tr>
<td>California</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>85% up to half of the federal phase-in range</td>
</tr>
<tr>
<td>Colorado</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>10%</td>
</tr>
<tr>
<td>Connecticut</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>27.5%</td>
</tr>
<tr>
<td>Delaware</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>20%</td>
</tr>
<tr>
<td>District Of</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>10%</td>
</tr>
</tbody>
</table>
Action Steps

✓ Visit scorecard.prosperitynow.org
✓ Join the Community
✓ Sign up for a Network
✓ Contact us for a Scorecard webinar or presentation

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Thank you!