Connecticut Family Assets, 2005
Steering Families Toward Ladders of Success, Away from Chutes that Erode Wealth

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Connecticut Voices for Children

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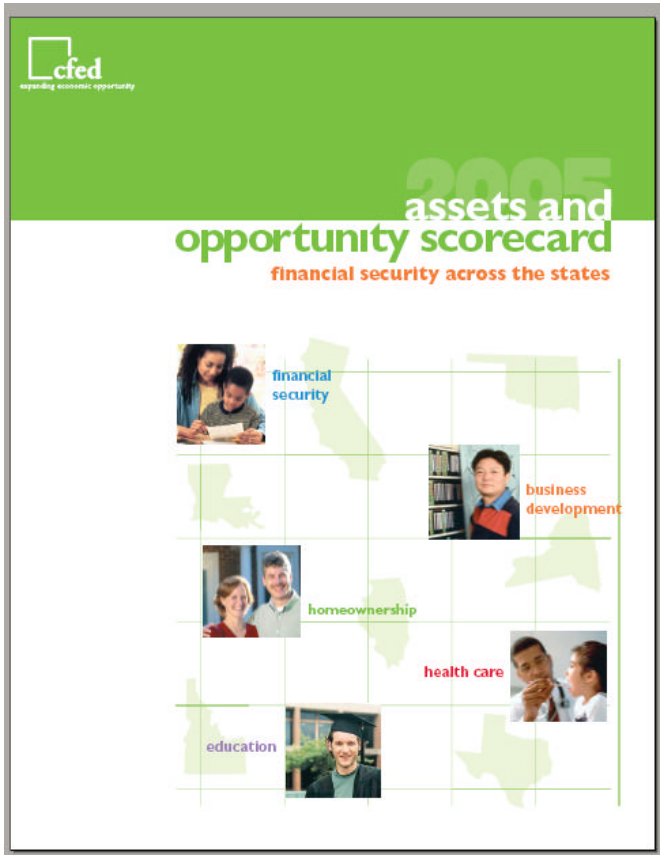
CONNECTICUT VOICES FOR CHILDREN

cfed
expanding economic opportunity

CFED's 2005 Assets and Opportunity Scorecard: Financial Security Across the States



- Most comprehensive tool yet to measure ownership and financial security at the state level.
- Assessment of states' efforts to encourage and protect wealth among their residents.

2005 Assets and Opportunity Scorecard

Emphasize assets as a unifying theme for promoting economic opportunity. Data are organized into five indexes:

- Financial security
- Business development
- Homeownership
- Health care
- Education

These issue areas show that asset building is essential to these elements of economic opportunity as well as make the data more accessible to advocates.

Assets and Opportunity Scorecard

- Economic opportunity and financial security require assets in all forms.
- Initiatives that build and protect wealth:
  - Promote homeownership
  - Improve health insurance availability
  - Encourage banks to offer products for all possible customers
  - Foster entrepreneurs
  - Curb predatory lending
  - Remove asset limits
  - Protect accumulated assets

Outcome Grades and Policy Ratings

- Outcome Grades
  - Based on ranked outcome measures.
  - Distribution curve.
- Policy Ratings
  - Based on most common policy across the states.
  - Favorable, Standard and Substandard.

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

Favorable
Standard
Substandard

A look at Connecticut

Overall grade on asset outcomes: A

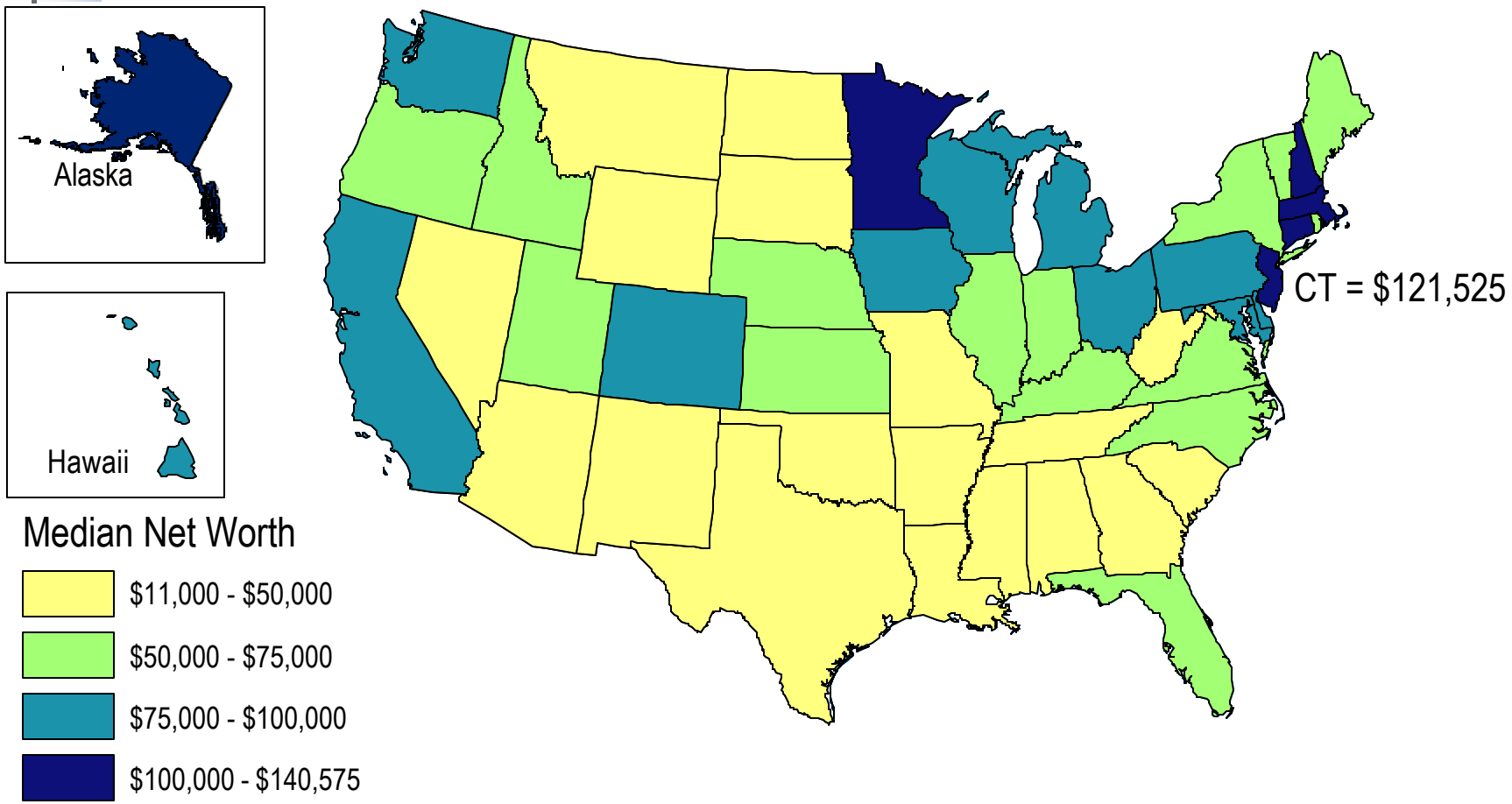
Policy rating: Favorable

Index	Grade	Rating
Financial Security	**B**	**Favorable**
Business Development	**C**	**Standard**
Homeownership	**C**	**Favorable**
Health Care	**A**	**Favorable**
Education	**A**	**Favorable**
Tax Policy and Accountability		**Favorable**

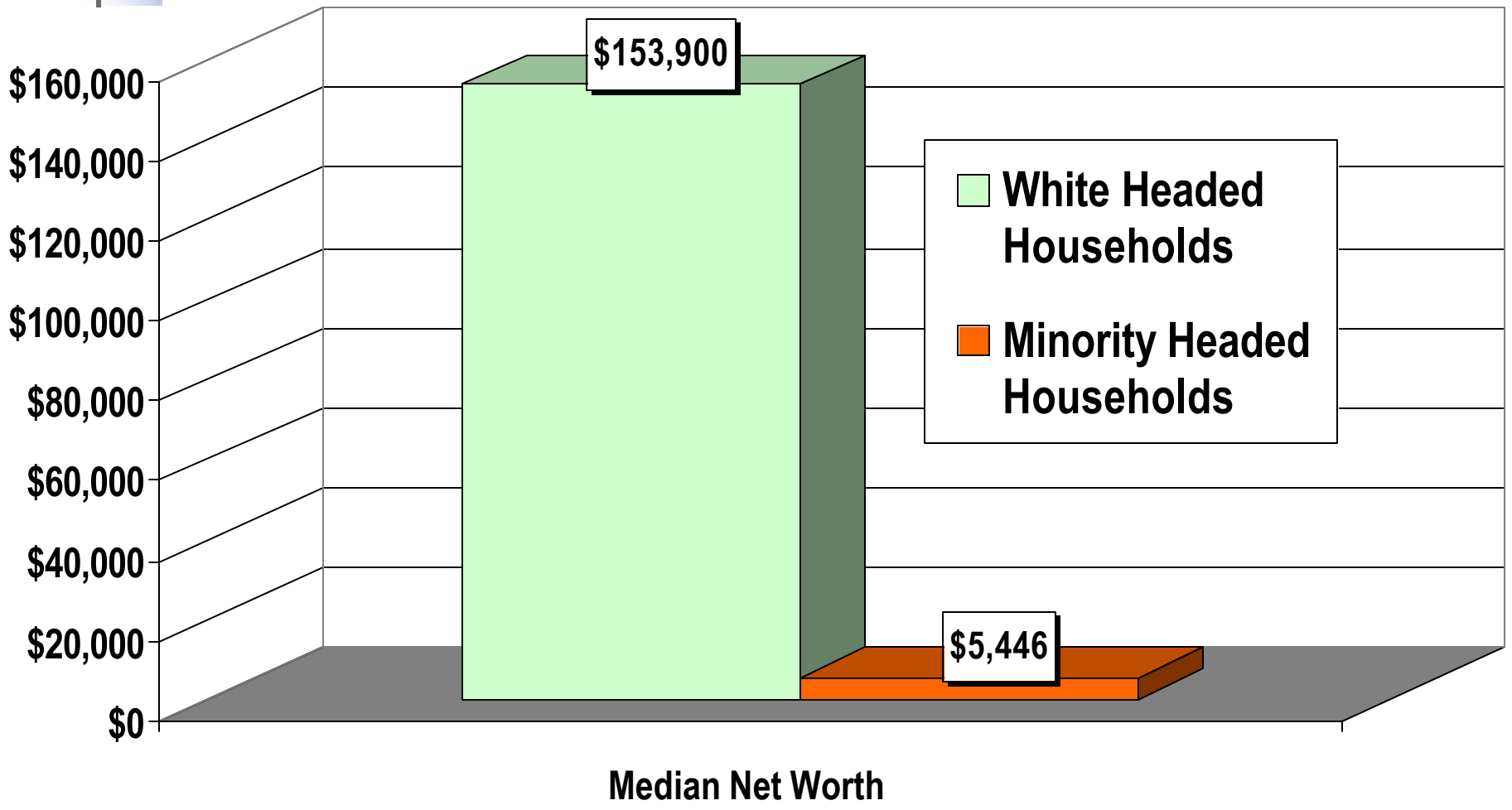
Noteworthy numbers for Connecticut

- 19% (1 in 5) families in CT are Asset Poor
- #1 in reading proficiency, and #4 in math proficiency.
- #2 in median household net worth.
- #4 in employer-provided insurance.
- #43 in homeownership by race.
- #28 (of 30 states) in asset inequality by race, AND asset poverty

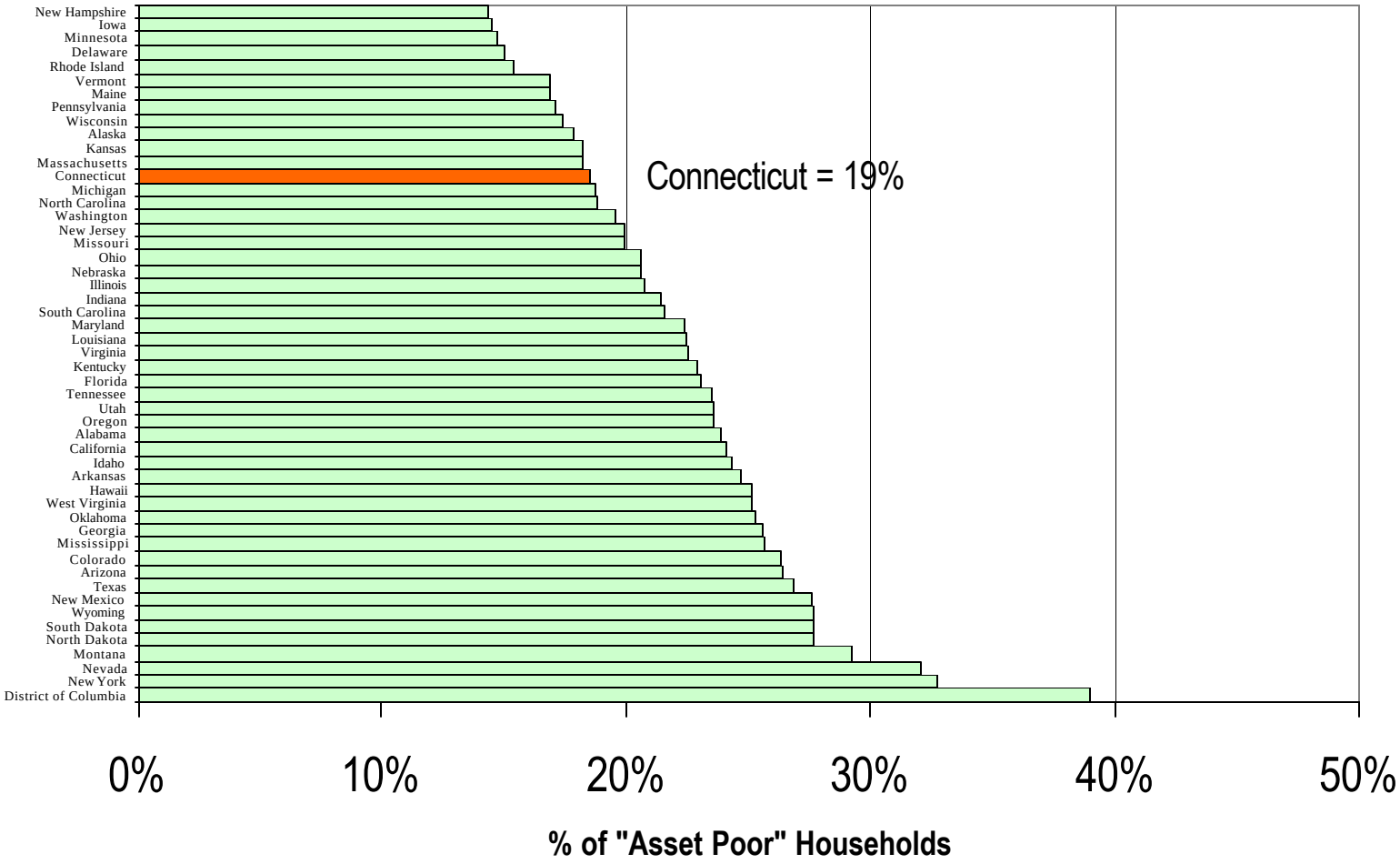
Connecticut's Median Net Worth Among the Highest in the Nation…



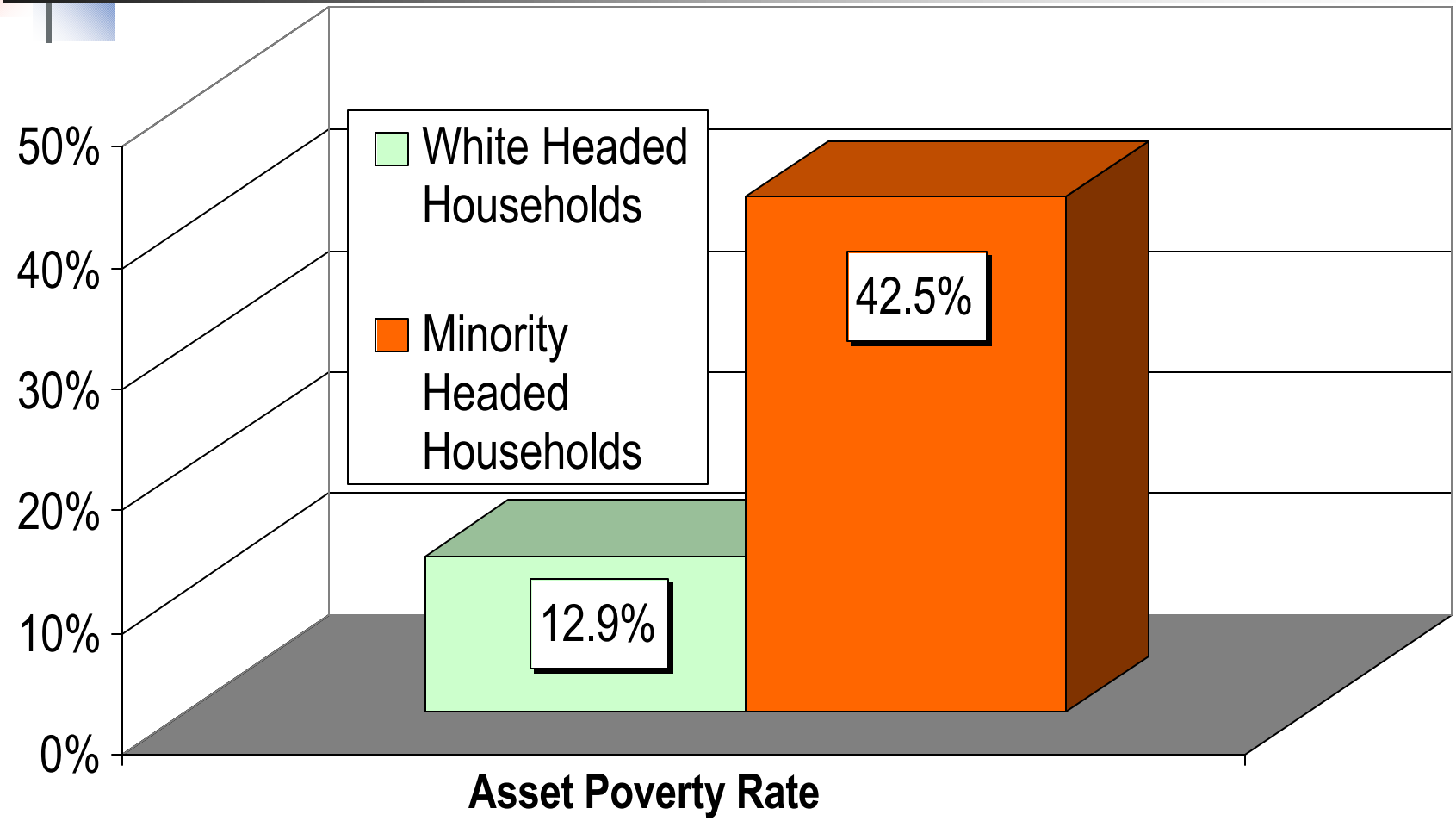
But Connecticut's Wealth is Distributed Very Unequally: Asset Inequality by Race/Ethnicity (Median Net Worth, 2002)



Connecticut Does Relatively Well on Asset Poverty Measures…



…but Not Everyone Fares so Well: Asset Poverty by Race/Ethnicity



Connecticut Fares Poorly on Key Business Development Outcomes

- CT Ranks in the bottom half (27th) for small business ownership rate
- CT ranks last among all states on private loans to small businesses

Notable policies in Connecticut

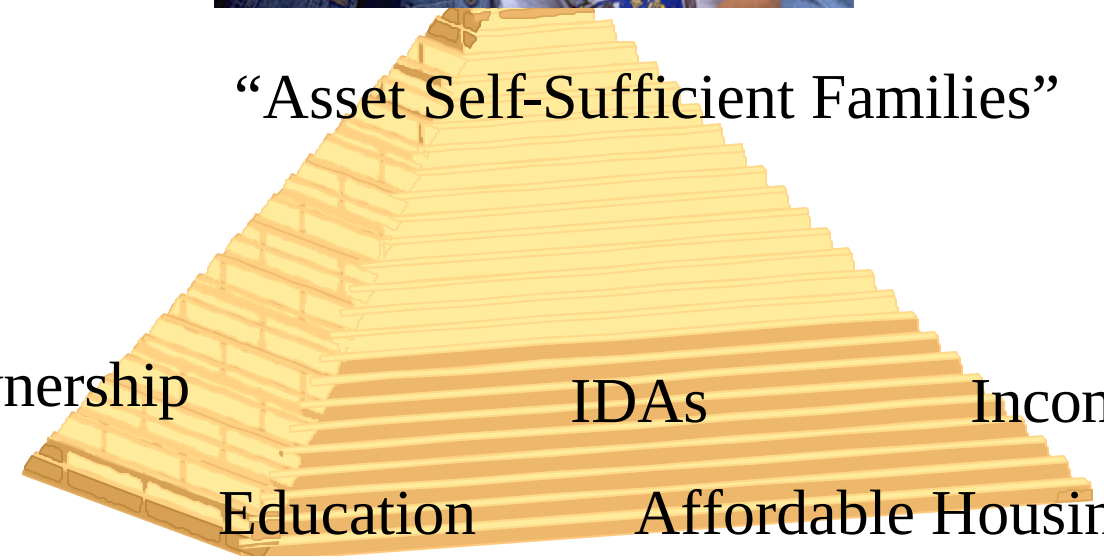
Favorable to asset building and protection:

- Income tax threshold.
- Workers' compensation coverage.
- Small business investment.
- Use of bonds for homeownership assistance.
- High income limits for public health coverage.
- State-funded Head Start program.
- School spending equity (through ECS grant).

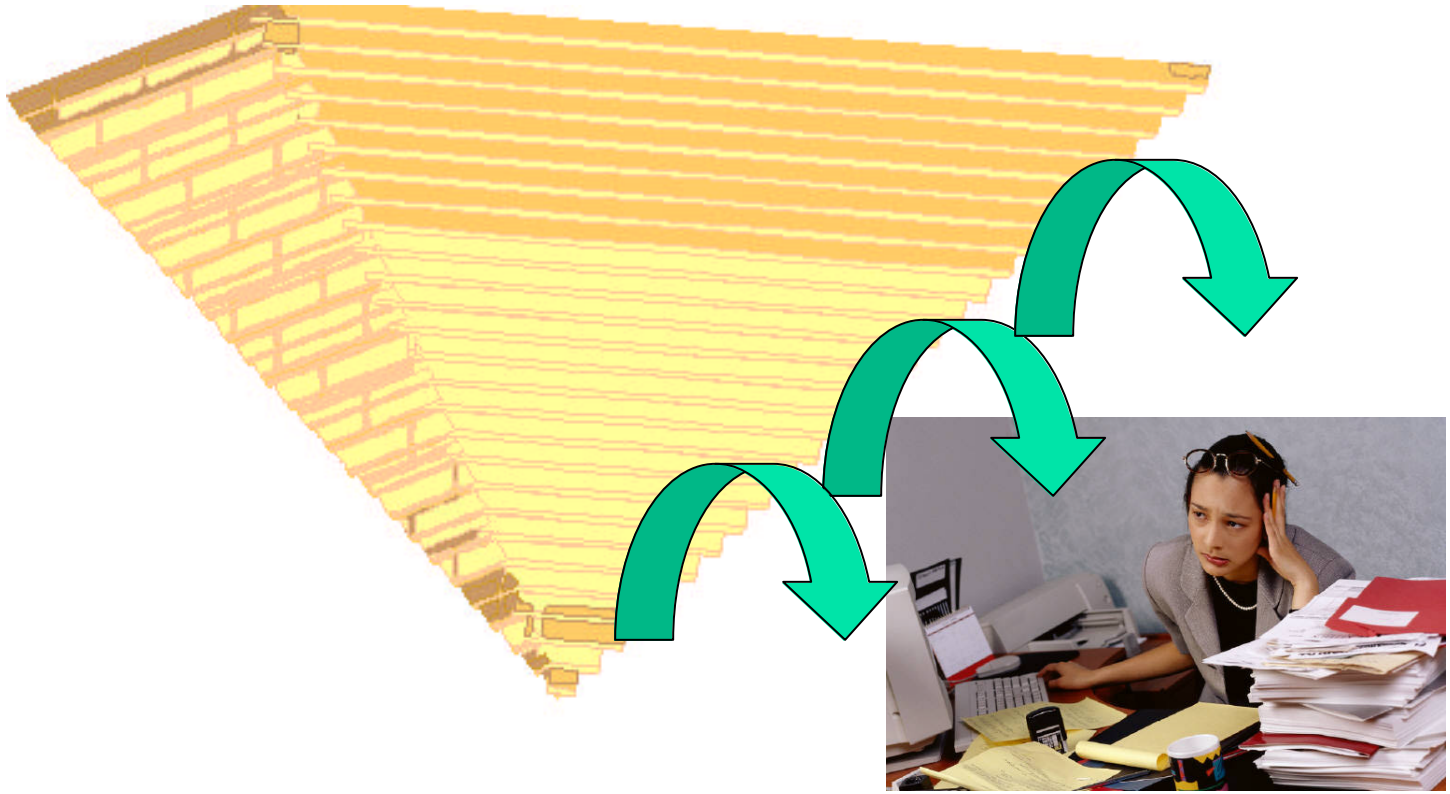
Asset-building policy "opportunities" in Connecticut

- Adopt a state EITC such as each of our neighboring states has
- Support microenterprises.
- Create a trust fund for housing.
- Expand CT's IDA initiative
- Raise the unemployment benefit level

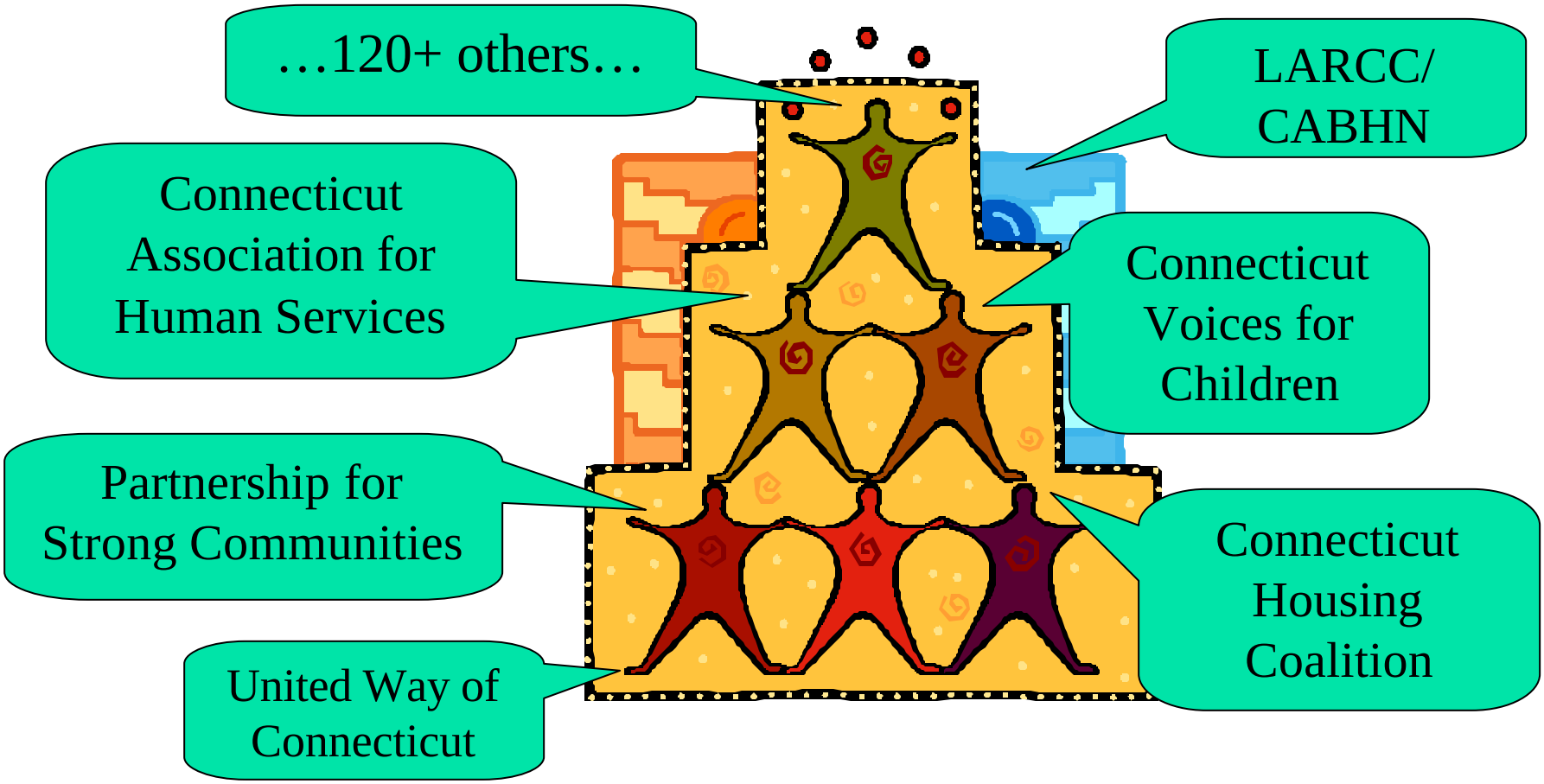
How Do We Get Where We Need to Be? (Family Asset Self-Sufficiency – the Next Frontier?)



Organizationally, this presents a huge challenge…



Solution? Coalition Work: One Connecticut: The Campaign to Fight Poverty and Build Economic Security



Parting Thoughts…

- "If Americans are willing to work and save, then their government should enable them to acquire savings, a home, an education, a small business and a nest-egg for retirement" (Ray Boshara, New America Foundation, "Share the Ownership", Washington Post, February 2005)

- "In the 1990s, our nation mustered the will, policies and resources to move millions of dependent parents into the workforce. Now our obligation is to apply that same level of determination and focus to the challenge of building assets to move them - and their kids - out of poverty and closer to real financial security." (Doug Nelson, President, Annie E. Casey Foundation, June 2003)