

Promoting Economic Security for Working Families: State Asset Policy Initiatives

Presentation by Heather McCulloch

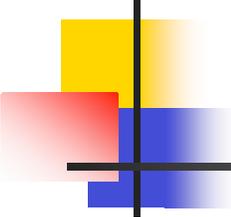
Consultant/Asset Building Strategies

October 26th, 2005

Asset Building: The Path to Financial Independence for Women

Hosted by Women's Policy Inc., the Congressional Caucus for Women's Issues and the Financial and Economic Literacy Caucus

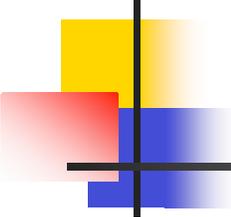




States and Asset Policy

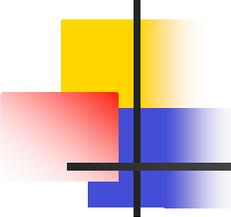
- New policy dialogue in states across the country
- Supporting low-income families to save, invest and preserve financial assets
- Led by governors, treasurers, legislators, advocates and asset-building practitioners
- Addressing issue of asset poverty and exploring asset-building solutions





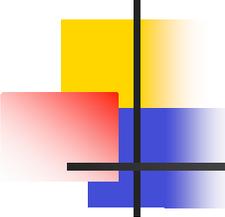
Evolving Role of States

- Welfare reform – states succeed in reducing number of welfare recipients, but working families still living in poverty
- Growing national asset-building movement – fuelled by success of local initiatives
- Federal policies create new opportunities



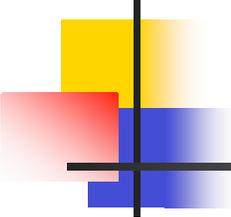
National Research

- Research selection criteria:
 - Advancing a state-level policy agenda
 - Targeting more than one asset-building policy
 - Engaging diverse stakeholders
- Six state asset policy initiatives in various stages of development



Emerging State Initiatives

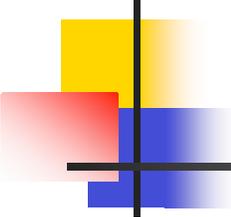
- **Delaware** – Governor’s Task Force for Financial Independence (2001)
- **California** – Asset Policy Initiative of California (2003)
- **Illinois** – Illinois Asset Building Group (2003)
- **Pennsylvania** – Governor’s Task Force for Working Families (2004)
- **Hawai`i** – Ho`owaiwai Asset Policy Initiative of Hawai`i (2004)
- **Michigan** – Asset Building Coalition for Michigan (2005)



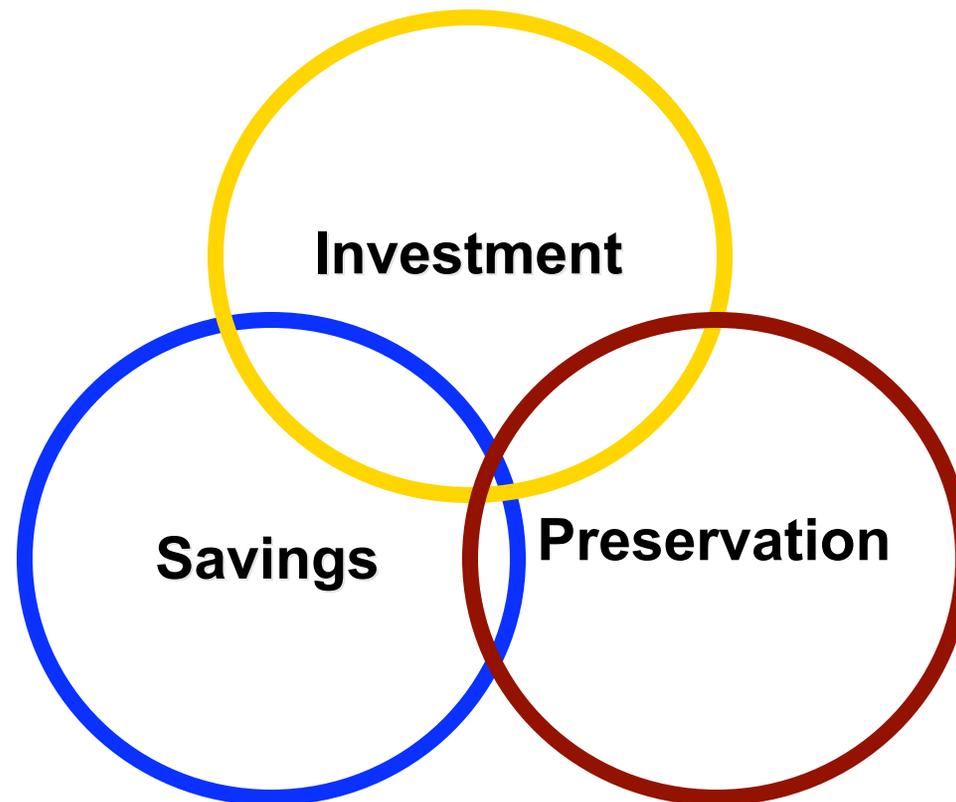
Common Features

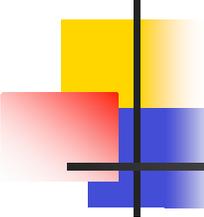
- Reframing the policy dialogue
- Bringing diverse stakeholders to the table
- Building a bipartisan discussion
- Identifying near- and long-term solutions to asset poverty



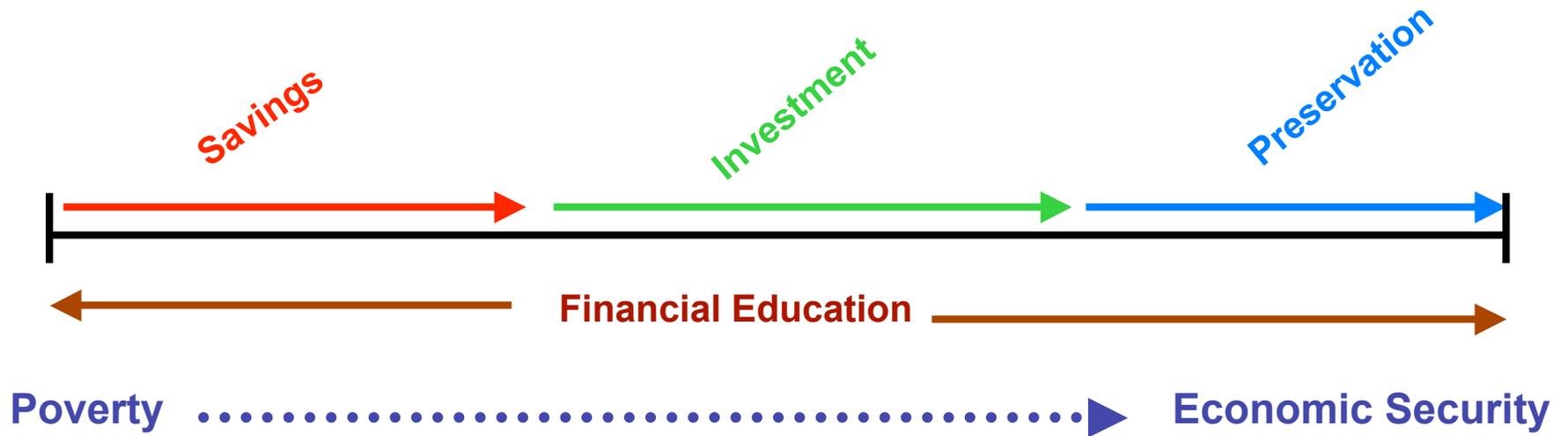


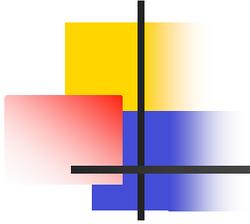
Common Goals





Continuum of Asset-Building Opportunities



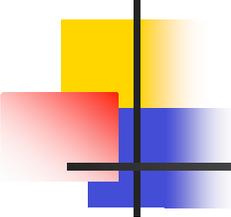


Emerging Policy Priorities

Savings/Asset Accumulation

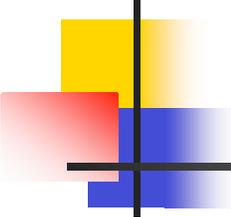
- **Financial education** – Improving and expanding access to financial education
- **Financial services** – Linking families to mainstream financial services
- **Asset limits** – Raising or eliminating asset limits in public benefit programs
- **Individual Development Accounts** – Increasing public support for IDAs





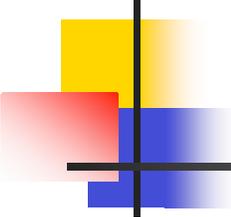
Savings/Asset Accumulation

- **Higher Education –**
Supporting families to save for higher education
- **Earned Income Tax Credit –**
Capturing federal EITC and creating state EITC
- **Retirement savings –**
Expanding access to retirement savings opportunities
- **Children's Savings Accounts –**
Supporting children's savings accounts programs



Investment/Asset Leveraging

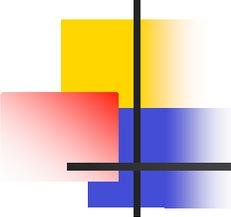
- **Homeownership** –
Increasing affordable homeownership opportunities
- **Business ownership** –
Supporting low-wealth entrepreneurs to build business equity
- **Real estate development** –
Leveraging economic development to create investment opportunities for low-income community residents



Protection/Asset Preservation

- **Health insurance** –
Expanding health insurance coverage
- **Anti-predatory lending** –
Reducing abusive lending practices
- **Anti-insurance redlining** –
Preventing insurance redlining

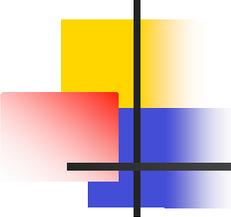




Benefits for Women and Families

- State policies are expanding opportunities for women to:
 - Invest in higher education and job training
 - Build home and business equity
 - Save for their children
 - Plan for a secure retirement
- Helping to pave a path to financial independence and economic opportunity that is open to all





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Full report available at: www.knowledgeplex.org
Research supported by the Fannie Mae Foundation

