



# 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

---

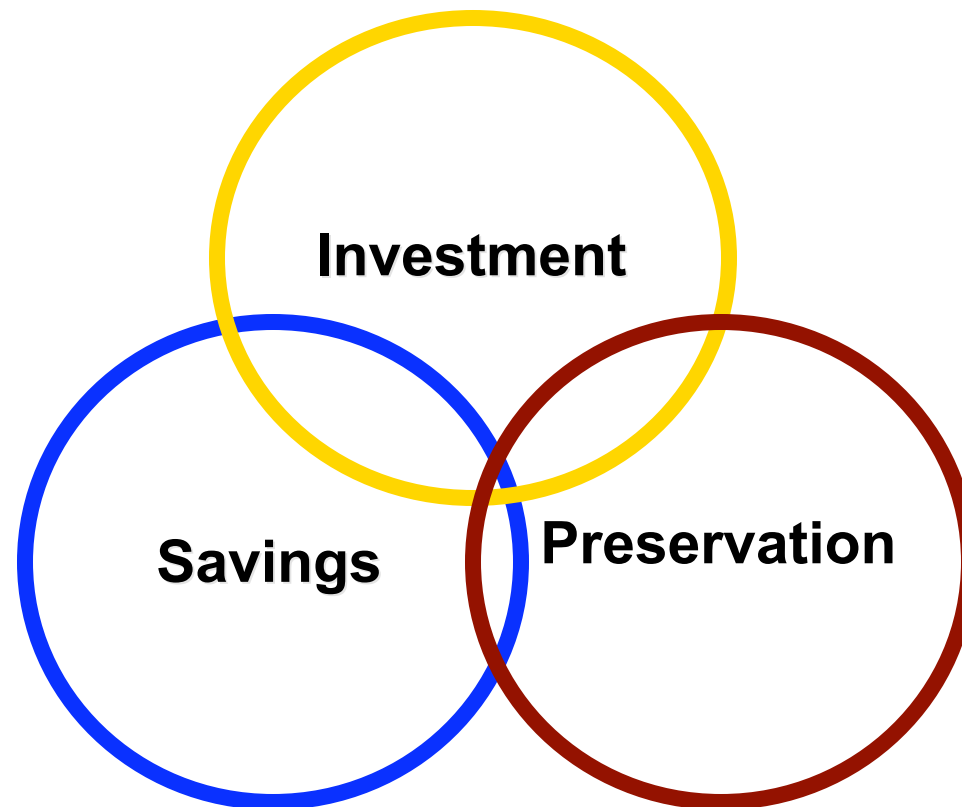
- Reframing the policy dialogue
- Bringing diverse stakeholders to the table
- Building a bipartisan discussion
- Identifying near- and long-term solutions to asset poverty





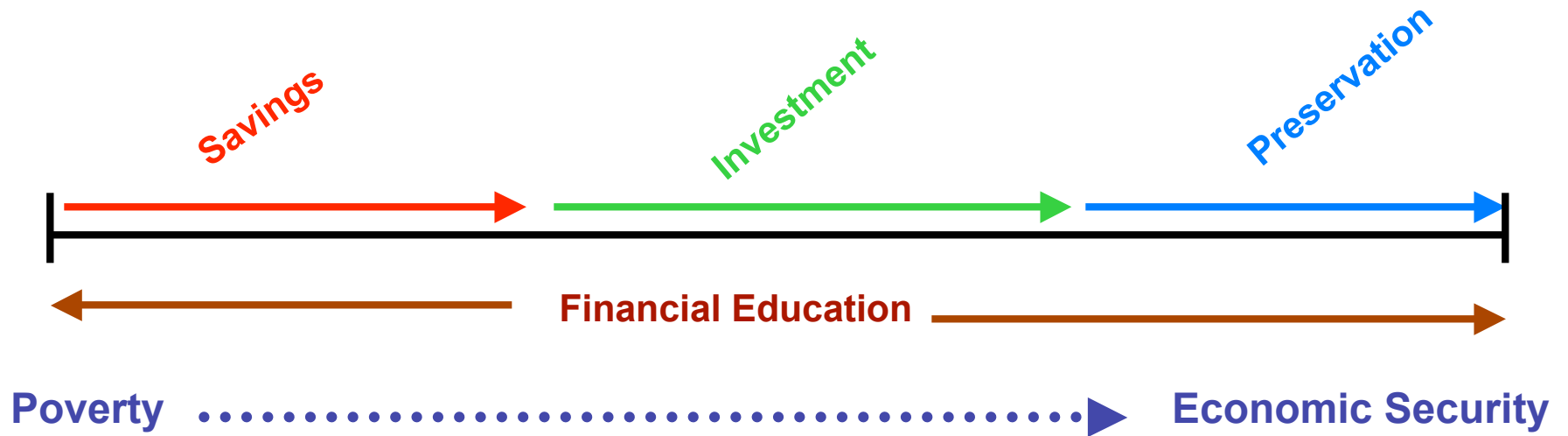
# Common Goals

---

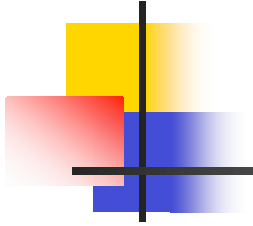




# Continuum of Asset-Building Opportunities







# 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





# Promoting Economic Security for Working Families: State Asset Policy Initiatives

---

**Heather McCulloch**  
Consultant/Asset Building Strategies  
Heathermcc@sbcglobal.net  
(415) 378-6703

**Full report available at:** [www.knowledgeplex.org](http://www.knowledgeplex.org)  
Research supported by the Fannie Mae Foundation

