

State and City Asset Building Initiatives

February 2008

In the U.S., achieving financial stability and independence are central to a sense of well-being and integral to our image of general prosperity. Today there is increasing recognition that acquiring financial assets is key to poverty reduction, social mobility, and securing middle class status. Income is essential for a family to get along, but assets help them get ahead. Across the country, state and local collaborative initiatives are being formed to offer a multi-facet approach to asset building and generate support for a comprehensive asset policy agenda. These initiatives are building an infrastructure of understanding, commitment and support backed by research and practical experience.

Statewide coalitions to promote asset building strategies began forming in the early 2000's as asset formation came to be perceived as critical to achieving long term financial stability. As Heather McCulloch noted in a 2005 report, common features of these initiatives include:

- Creating a new dialogue with a shift from emphasis on the negative (ending poverty) to advancing the positive (increasing financial stability and quality of life)
- Unifying diverse stakeholders such as elected officials, public agency staff, policy advocates, provider agencies, foundations, business and financial institutions, and community leaders behind a message with bi-partisan appeal

Earlier coalitions had typically focused on isolated aspects of asset building such as organizing earned income tax credit (EITC) campaigns, expanding financial education, or creating networks of support for Individual Development Account (IDA) providers. Then in several states these efforts evolved into more holistic approaches, such as when Michigan's IDA Coalition teamed up with other groups and state officials to establish strategies to promote board asset policies. In some states, efforts were galvanized by the creation of a commission by the Governor and in others, United Ways and private foundations had a key role in launching asset building initiatives.

Similar developments are happening at the local level. In 2005, the National League of Cities launched the Cities Helping Families Build Asset Project to increase the capacity for cities to take action toward helping families increase their economic stability. Selected communities are learning from collaborative activities already underway in cities such as San Antonio, San Francisco, and New York City that bring together efforts such as EITC outreach; linkage to other public benefits, financial education and alternative banking services; and creation of new workforce development opportunities.

The Institute on Assets and Social Policy (IASP) seeks to aid existing and newly forming initiatives by providing an overview of the strategies and accomplishments of these coalitions. Learning from these endeavors will also inform our own work. In Massachusetts, IASP has launched an Asset Policy Initiative to engage diverse organizations in identifying and supporting asset policy solutions and to inform the work of the legislatively created Asset Development Commission. Through this initiative, IASP is facilitating a dialogue and providing data and research analysis to build capacity and create a sustaining infrastructure to see through the recommendations of the Commission.

IASP is a research, technical assistance, and policy analysis institute located within The Heller School for Social Policy and Management at Brandeis University. Through research, policy and program evaluation, capacity building, community engagement, and leadership development the Institute generates and disseminates new data and perspectives focused on expanding opportunity for the asset poor.

State Asset Commissions	Impetus/Funding	Key Participants	Purpose/Strategies	Status/Accomplishments
<p>Delaware Governor's Task Force for Financial Independence</p> <p>http://www.state.de.us/governor/publications/financial_independence_final_report.pdf</p>	<p>Task force commissioned by Governor & State Treasurer and supported with state funds and Citibank grant.</p>	<p>State Treasurer, Exe. Director of Community Loan Fund, financial institutions, and CBOs, with YMCA taking the lead.</p>	<p>Accumulating assets – in addition to income – is a critical factor in achieving economic self-sufficiency. Focus on:</p> <ul style="list-style-type: none"> - asset facilitation (financial education and access) - asset incentives (EITC, IDAs, CSAs, retirement plans) - asset protection & removal of barriers (banking alternatives, anti-redlining, FESS standard, health care coverage) 	<p>Estab. in 2001. Recommendations in June 2002 include: increase state funding for financial ed, IDAs, and public campaign to increase EITC participation. Supported successful efforts of other organizations to create state EITC (enacted Aug. 2005), initiate financial education for TANF recipients, and establish regs for fringe banking services. No further follow-thru at this time as instrumental person from YMCA left for another position.</p>
<p>Pennsylvania Governor's Task Force for Working Families</p> <p>http://www.banking.state.pa.us/banking/cwp/view.asp?a=1354&q=547319&bankingNav= 32150 32185</p>	<p>Promoted by key state legislator & supported with state funds and A.E. Casey Foundation grant.</p>	<p>State legislators, Sec. of Banking & other state dept reps, PA Housing Finance Assn., Penn State Coop Extension, private businesses, and CBOs</p>	<p>Identify strategies to build income & assets of working families, promote financial education, and protect families from abusive financial services.</p> <ul style="list-style-type: none"> - Beyond “paycheck to paycheck” (EITC, IDAs, asset limits) - Connect to quality financial ed (youth & adult thru employer) - Fair treatment by fin institutions - Create own jobs & security (funding & retirement plan for small businesses) 	<p>Established in April 2004. Report released Feb. 2005. Office of Fin Ed created within Dept of Banking funded thru banking fees. Working on: integrate financial ed into math & reading curriculum, help employers convey financial ed to employees, and manage www.moneysbestfriend.com web site. Other priorities include: change state regs on asset limits, small business development, promote EITC & Family Self-Sufficiency (FSS) program, and responsible lending.</p>
<p>New Mexico Task Force for Financial Independence</p>	<p>Governor followed lead of DE (as did several other states.) Authorizing legis. had no state funding. Later effort by Gov. to get financial support failed due to technicality.</p>	<p>Governor's appts from financial institutions, business, State Depts. of Ed., Human Serv., Econ. Development, & Labor, CBOs, and relevant legislative committee chairs.</p>	<p>Identify strategies most viable to foster financial independence and asset building in areas of:</p> <ul style="list-style-type: none"> - asset facilitation - asset incentives - asset protection (include removal of barriers to asset accumulation) 	<p>No follow thru after first meeting of task force in April 2004.</p>

State Non-profit Asset Initiatives	Impetus/Funding	Key Participants	Purpose/Strategies	Status/Accomplishments
<p>Illinois Asset Building Group</p> <p>http://www.illinoisassetbuilding.org</p> <p>http://www.heartlandalliance.org/maip/IllinoisAssetBuildingGroup.html</p>	<p>Woods Fund of Chicago engaged IASP to facilitate discussions and launch initiative. Additional funding provided by other local fdns, and Ford, Levi Strauss, & W.K. Kellogg Foundations.</p>	<p>Policy advocacy & research orgs., CBOs, civil rights orgs., housing coalition, com. action assn., and financial institutions. Co-chaired by Heartland Alliance & Shiver National Center on Poverty Law.</p>	<p>Reform public policy to strengthen working families. Primary focus on:</p> <ul style="list-style-type: none"> - lifelong education & training - healthcare - tax policies impacting income - financial security & investments - transportation - small business development - housing, home ownership & utilities 	<p>First meeting in May 2003. Co-leader organizations & policy priority areas defined by Fall 2004. Contributed to successful efforts to create rental housing subsidy, further eliminate program asset limits, initiate payday loan reform, expand child health care coverage, and increase funding for IDAs. Led effort to create legislative task force to development IL CSAs.</p>
<p>Asset Policy Initiative of California</p> <p>http://www.assetpolicy-ca.org/</p>	<p>Ford Foundation. provided funding for consultant and support of lead agency, Earned Assets Resource Network (EARN). Additional funding from Levi Straus, C.S. Mott, Charles Schwab, & James Irvine Foundations.</p>	<p>State legislators, State Treasurer, Sec. for HHS & other state dept reps, various community & economic development corp., private business, UW of Gr. LA, faith-based organizations and CBOs. Staffing provided by EARN.</p>	<p>Develop long-term policy agenda to promote asset building for low- and moderate income families. Focus on:</p> <ul style="list-style-type: none"> - asset accumulation (EITC, IDA, CSA, match 529 college plan, remove asset limits, financial education, financial services) - asset leveraging (housing trust fund, zoning, small bus dev) - asset creation (community & economic development) - asset preservation (anti-predatory & anti-redlining regs) 	<p>First meeting June 2003. In Feb. 2005 set priorities & goals which have been updated thru 2008: tools to increase homeownership, removal of all asset limits, establish state EITC, and state funding for matched savings. Developed tool to measure local asset poverty. In 2006, aided successful effort to eliminate some asset tests and allow tax refund splitting. Goals for 2007: estab. CSA, repeal TANF asset limits, create incentives for banks to locate in underserved communities, and create option to use tax refund to purchase state savings bonds.</p>
<p>Hawai'i Asset Policy Initiative</p> <p>http://www.hacbed.org/article.php?story=20070427093004194</p>	<p>TA by consultant. Funding by Anne E. Casey Foundation, National Rural Funders Collaborative, and local foundations with help of CFED.</p>	<p>Broad stakeholders including state, county & city dept reps, state legislators, housing, com. & economic development assn., private business, banking institutions, academic, and CBOs. Led by Hawaii Alliance for Community-Based Econ Dev. (HACBED)</p>	<p>Cultivate greater self-sufficiency; spark overall economic development; and better achieve social goals through:</p> <ul style="list-style-type: none"> - make work pay (EITC, FESS) - teach asset building (youth & workplace financial education) - break down barriers (remove asset limits, anti-predatory regs, health care coverage) - help people save (IDAs, CSAs, matched 529, retirement plans) - help people start business & buy homes 	<p>Discussion launched at Feb. 2004 conference. HACBED produced report in Dec. 2006 that identifies goals for policy agenda and steps to build a movement. Several bills filed in 2007 legislative session targeting goals.</p>

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<p>Arkansas Assets Coalition</p> <p>http://arassetpolicy.org/members.asp</p> <p>Michael Leach, Southern Good Faith Fund (SGFF) Ph# 501-661-0322</p>	<p>SGFF initiated coalition and provides administrative support funded by Foundation for the Mid-South. CFED & CSD provide support and research assistance.</p>	<p>SGFF, Central AR Development Council, Econ. Opportunity Agency of WA County, Healthy Connections, Univ. of AR School for Social Work, United Methodist Church and Entergy Arkansas (private corp.)</p>	<p>While increasing income will help families to escape poverty, building personal assets through saving and investment will help to solidify their move into the middle class. This is achieved through:</p> <ul style="list-style-type: none"> - teaching economic skills - participation in IDAs and SEED programs 	<p>Started in 2000 as coalition to support IDAs. Began to broaden mission in Sum 2004 thru statewide conference. Succeeded in excluding IDAs from asset tests for public asst. & increase state funding from \$.5 mil to \$1.7 mil per year for FY '08 & '09 allowing for statewide IDA access, and estab. match for low-income families' 529 saving plans. Future goals include accessing CDBG funds for IDAs, increasing 529 plan match, better regulate pay day lending, and establish state housing trust fund.</p>
<p>Asset Building Coalition for Michigan</p> <p>http://www.cedam.info/ABC.htm</p>	<p>Leadership provided by Council of MI Fdns. (CMF), and Commuity Econ. Dev. Assn. of MI (CEDAM) to form MI IDA Partnership & then broader coalition. Funding provided by CFED, C.S. Mott Fdn. CMF, and MI State Housing Development Auth.</p>	<p>Initiative funders, State Depts. of Human Services, Labor, & Budget, state legislators, policy & advocacy coalitions, for-profit & non-profit groups and financial institutions</p>	<p>Unite individual and com. development policies to create opportunities and assets that help families and communities thrive. Four policy goals: Help working families --</p> <ul style="list-style-type: none"> - save & invest for their future (IDAs, CSA, match 529 plan, portable retirement plan) - build financial security through ownership of assets (trust fund, support & fund microenterprise) - leverage their limited resources (EITC, remove asset limits) - higher ed & skill training 	<p>Coalition formed Asset Building Policy Project in 2005 to create report outlining policy options to help working households build assets. Report was released in Jan. 2006 identifying 12 specific policy recommendations under the four policy goals. Coalition had role in excluding 529 savings from asset test, expanding reach of IDAs, and establishment of Housing & Community Development Trust Fund.</p>
<p>Alabama Asset Building Coalition</p> <p>http://www.uwca.org/initiatives1.html</p> <p>Shirley Worthington, United Way of Central Alabama Ph# 205-960-9200</p>	<p>Administrative support provided by UW of Central Alabama (UWCA). TA provided by CSD. Partner with AL Arise, FDIC and local groups on related projects.</p>	<p>UWCA, CDCs, CAA Assn of AL, Federation of Southern Coop, AL Arise, Gov. Blackbelt Comm., FDIC, FRB-Atlanta & other financial institutions, Coop Extension Service and academic institutions.</p>	<p>Strengthen Alabama's individuals, families & communities through the development of assets that support & promote generational wealth building & self-sufficiency.</p>	<p>Formed in Summer 2005. Created cross-sector, urban/rural, public/private collaboration. Obtained fed. funding for IDA programs and seek state funding. Assist with coordination of VITA sites and use 211 as info resource for asset building opportunities. Promote expansion of financial ed for youth & adults. In Oct. '07, sponsored statewide conference.</p>

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<p>RAISE Texas</p> <p>http://www.covenantcapital.org/html/publicpolicy/idanetwork.html</p> <p>Woody Widrow 512-477-4431x129 woody@covenantcapital.org</p>	<p>Support to broaden focus provided by Ford, Mott and Heron foundations along with Fdn for the Mid-South, Bank of America and others. Success Measures Project, now part of NeighborWorks America, aided in identifying indicators for mission statement.</p>	<p>Initially under Covenant Community Capital Corp. City of San Antonio, FRB-Dallas, FDIC Alliance for Econ. Inclusion, UW of Texas & local UWs, Bank of Amer. & other banks, Christus Health, TX Credit Union Fdn., CPPP, TX Appleseed, Entergy TX (private corp.), and other CBOs</p>	<p>Help individuals and families escape poverty by increasing financial skills and building assets. Areas of work:</p> <ul style="list-style-type: none"> - increase financial knowledge and skills - build assets and financial resiliency - increase intergenerational economic stability - strengthen communities through greater civic participation 	<p>TX IDA Network formed in 2002 and held yearly conferences from 2002-04. Sponsored first summit in Nov. 2005 to focus on broader asset building activities. In 2006, held seven regional meetings and second summit in Nov. Changed name to TX Asset Building Coalition and now incorporated as RAISE Texas (Resources, Assets, Investments, Savings and Education). Summit in April 2008 will develop agenda for action campaign targeting 3-4 major policy areas.</p>
<p>Missouri Asset Development Coalition</p> <p>Ryan Bratcher First Step Fund Ph# 816-235-6472 rbratcher@firststepfund.org</p> <p>Vanessa Finley First Step Fund vfinley@firststepfund.org</p>	<p>Started as initiative of MO Assn. of Social Welfare (MASW). Staffing thru VISTA. Current leadership provided by First Step Fund. Research & technical support provided by CSD. Past funding from: CFED, Kauffman Fdn., and AEO.</p>	<p>MASW, First Step Fund, Family Conservancy Agency, UW of St. Louis, CSD, FRB- StL & KC, IRS, International Institute, Justine Petersen, Housing Development, Central MO CAA, and other CBOs</p>	<p>Support economic empowerment of low-income people & their communities through strategies that foster self-determination, build local economies, provide individual asset development, and offer networking, educational and advocacy opportunities. Focus is on:</p> <ul style="list-style-type: none"> - microenterprise development - first time homeownership - EITC - IDAs 	<p>MASW created the Community & Economic Development Task Force (CED) in 1994. In 2001, succeeded in passage of IDA tax credit legislation. Changed name from CED to MADC in 2005. In 2006, sponsored AEO national conference. Goals for 2007 include expanding IDA tax credits, campaign to promote microenterprise, and better equip member orgs to help prevent asset stripping among their clients (e.g. foreclosures).</p>
<p>Alaska's Asset Building Coalition</p>	<p>Initiated by AK DHHS Div. of Public Asst. Support provided by UW of Anchorage w/ additional funding from local fdns., AK MH Trust Auth., & City of Anchorage. TA provided by CSD.</p>	<p>DHHS Dept. of Public Assistance, UW of Anchorage, CBOs, Tribal Councils, & financial institutions.</p>	<p>Increase prosperity and opportunity for all Alaskans. Goals are to promote collaborative approach to asset building, create united voice, and empower action.</p>	<p>Statewide coalition formed in 2006 building on earlier work of UW of Anchorage's Asset Building Initiative of Alaska. Program plan of latter group included: increase moeny man. skills, ability to access assets thru EITC & microenterprise loan prog., incentive to save thru IDAs, and increase com. capacity & resources. As of summer 2007, coalition is no longer active.</p>

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<p>Washington State Asset Building Coalition</p> <p>Paul Knox, WA Dept. of CTED Ph# 360-725-4140</p>	<p>Leadership & support provided by WA Dept. of Community Trade & Economic Development (CTED)</p>	<p>State agency staff, CBOs, WA Com Action Partnership (WSCAP), housing authorities, microenterprise assn., policy advocacy & research org., financial institutions, and United Ways.</p>	<p>Provide financial hope, opportunity and choice to low-income families and individuals. Four strategic goals:</p> <ul style="list-style-type: none"> - create range of prosperity products (inventory & plan) - develop & promote public & lending policy for asset building (research & legislation) - market savings, smart borrowing, & benefits (EITC, anti-predatory lending) - expand financial education (K-12, community college, special populations) 	<p>First mtg. in Feb. 2006. Organized 140 person summit in Aug. 2006. Steering Com. drafted 3-year workplan. In FY'08, \$.83 mil in new state funds for IDAs (seeking \$2 mil in FY'09) and \$.6 mil for 12 local asset building coalitions. For '08 legislative agenda seek to eliminate asset limits. Other emerging policy priorities: voluntary retirement accounts, health care accounts, increase use of 529 savings plan, regulate predatory lending, and expand financial education. Holding 2nd annual conference in June 2008.</p>
<p>North Carolina Asset Building Policy Task Force</p> <p>http://www.ncidacollaborative.org</p> <p>Lucy Gorham, EITC Carolinas Init. Ph#919-969-2682 lgorham@mdcinc.org</p>	<p>Co-chairs are leaders of statewide IDA and EITC coalitions. Funding from Babcock, Annie E. Casey and Z. Smith Reynolds foundations and NC Council on Developmental Disabilities. Research & technical support provided by CSD and CFED.</p>	<p>Over 40 participating organizations: Depts. of State, Health & Human Services, Commerce, and Labor, Office of Lt. Gov., Office of Commissioner of Banks, Rural Economic Development Center, academic centers at UNC, NC Coop Extension, CDFIs, FRB-Charlotte, United Way of NC, CBOs, and advocacy groups.</p>	<p>Purpose: 1) To develop common framework that can tie diverse asset building policy together; 2) To give these efforts greater visibility on a local, statewide and national level, and 3) To strengthen mutual efforts to see new or expanded asset building policies and program initiatives implemented. Focus:</p> <ul style="list-style-type: none"> - Earn It (asset accumulation – EITC, min. wage, childcare, post-sec ed, health insurance) - Keep It (asset protection – fin ed, anti predatory lending, increase legal service & UI) - Make It Grow (asset leveraging – IDA, CSA, housing trust, asset limits) 	<p>Decision to form task force came out of 2005 Financial Ed & Asset Building Conference and subsequent discussions. First met in June 2006 with leaders of EITC Carolinas and IDA and Asset Building Collaborative co-chairing and providing staff support. Second conference held Oct. 2007. Subcommittees formed for three focus areas. Task force work goals include: identify & prioritize asset policies; draft report for outreach & education; and design & implement demonstration projects.</p>

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<p>San Antonio Coalition for Family Economic Progress (SAFEP)</p> <p>http://www.sanantonio.gov/comminit/</p>	<p>Dept. of Community Initiatives (DCI) partnering with IRS, UW of San Antonio, Catholic Charities, and Casey Foundation to form SAFEP. City, along with UW, provides primary funding using CDBG, CSBG, and general funds.</p>	<p>In addition to original partners, coalition now also includes colleges, businesses, financial institutions, and CBOs.</p>	<p>To improve the economic security of families by providing opportunities to build assets through use of tax credits, savings, and financial literacy. Use VITA centers to aid working families in accessing SCHIP, Medicaid, food stamps and IDAs.</p>	<p>Coalition formed in Nov. 2001. Operates 26 VITA centers around the city including 5 super sites that enroll people in benefit programs, provide financial education, and recruit for IDA program. VITA mobile team and other sites are equipped to serve people with disabilities. UW offers financial education in workplace and train-the-trainer programs. DCI manages IDA programs.</p>
<p>City of San Francisco</p> <p>Working Family Credit (WFC)</p> <p>http://www.sfgov.org/wfc</p> <p>Bank on San Francisco Treasurer's Office</p> <p>Leigh.Phillips@sfgov.org</p> <p>http://www.sfgov.org/site/bankonsf_index.asp</p>	<p>WFC – SF Works & Coleman Advocates conceived. H&R Block contributed \$1 mil for first 2 yrs along with major contributions from BoA, Wells Fargo, & Citibank. City now funds at \$1.5 mil annually and seeks \$1.5 mil more from private sources. Casey, Friedman and Haas Fdns funded evaluation of pilot.</p> <p>Bank on SF – At urging of New America Foundation, developed by mayor and city treasurer along with EARN and FRB-SF.</p>	<p>WFC – Steering Com., chaired by SF Works, and Coleman, with City Treasurer, EARN, Tax Aid, UW of Bay Area, ACORN, Dept. of Human Services, Hass Fund, Goldman Fund, and others. Financial & in-kind support from H&R Block, partner banks, PR firm-McCann Erickson, and VITA centers.</p> <p>Bank on SF – Citibank, BoA, Wells Fargo, and 12 other regional & local banks & credit unions offer new banking products & services.</p>	<p>WFC – Objectives:</p> <ul style="list-style-type: none"> - boost take up of EITC thru extensive PR campaign - provide EITC eligible families with additional 10% local match - connect families with public benefits & financial services - promote savings & asset building tools <p>Bank on SF – Purpose:</p> <ul style="list-style-type: none"> - increase availability of starter accounts for un-banked - raise awareness about benefits of account ownership - make financial education more easily available - clamp down on check cashers and payday lenders 	<p>WFC – In 2003, group of CBOs proposed city create own EITC to help offset high cost of living. In 2004, Mayor Gavin Newsom announced two-year pilot to begin in 2005. In second year over 10,000 families received credit. Recipients are offered access to free banking and financial counseling services. Collaborative relationships laid groundwork for H&R Block pilot to screen tax filers for Food Stamp eligibility and Bank on San Francisco.</p> <p>Bank on SF – In Dec. 2005, mayor & treasurer engaged financial institutions to create starter accounts. Launched in Sept. 2006 with features as second chance accounts, checkless accounts using debit cards, and acceptance of foreign IDs for identification. By Nov. 2007, 11,100 new accounts opened with average monthly balance of \$800. All new account holders offered financial education from CBOs and others coordinated by EARN.</p>

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<p>New York City Commission for Economic Opportunity</p> <p>http://www.nyc.gov/ceo</p> <p>Donna Lennon, NYC Office of Fin. Empowerment Ph# 212-487-9717 lennond@dca.nyc.gov</p>	<p>In March 2006, Mayor Blumberg named 32 civic leaders to a commission to devise strategies to reduce poverty and increase economic opportunity and financial independence. \$150 million in city, state, federal and private funds are committed annually to implement the recommendations.</p>	<p>Commission members: corporations, unions, CBOs, faith-based groups, health care, UW of NYC, academia, and Rockefeller, Starr, and Robin Hood foundations. Strategies are implemented working with EITC Coalition, NY Financial Literacy Coalition, partnership of financial institutions and CBOs.</p>	<p>Commission's strategies for moving working poor out of poverty:</p> <ul style="list-style-type: none"> - estab. career pathways for entry-level employees - increase on-job training - expand use of benefits that support work: food stamps, health insurance and EITC - improve financial literacy - expand micro-business lending - enforce consumer protection laws - expand housing programs transitioning to self-sufficiency (FSS) - target affordable housing to poverty-level households - create mixed income housing 	<p>Commission report released Sept. 2006. Center for Economic Opportunity (CEO) created to implement recommendations. In Dec. '06, Office of Financial Empowerment (OFE) created to oversee financial education & capacity, watchdog protection, and create strategic partnerships and best practices. In Sept. '07, launched Opportunity NYC, a conditional cash transfer program with \$50 incentive to open no-fee savings account thru eight banks and several CBOs. In Oct. '07, CEO launched nurse career ladder program for those in or wanting to enter health care field.</p>