

# Listening Session for Financial Security Taskforce

Opportunity Alliance Nevada, EPA Network

&

Prosperity Now

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# Agenda

- Overview of the taskforce process, dates, and goals
- Overview of the household financial security framework & notable data points
- Open discussion:
  - What challenges are clients or communities facing?
  - What are additional data that are concerning?
  - What programs & policies are working and effective?
  - Are there barriers that keep these solutions from scale?
- Conclusions & summary of ideas and concerns
- Next steps, ways to get involved in the Taskforce

# Financial Security Taskforce

- **Responsibilities:**

- Examine financial security for residents
- Identify concrete strategies and recommendations
  - Develop a competitive workforce
  - Reduce financial insecurity for low-income families, especially communities of color

- **6 legislators, 3 community members**

- **Four meetings left:** January 22, March 21, May 21, July 25

# HOUSEHOLD FINANCIAL SECURITY FRAMEWORK

## NAVIGATE

Know how the financial system works and how to gather financial information and analyze choices to make beneficial financial decisions and manage household resources effectively

**Households need:**

- Timely access to relevant financial information, knowledge and skills, such as through financial coaching, financial education or counseling
- Educational and parental activities that build children's executive function from early childhood through adolescence

Financial management skills and owning assets can increase income

## LEARN

Acquire the basic skills, executive function and specific job skills needed to access quality employment

**Households need:**

- Quality early childhood and K-12 education
- Financing/support for postsecondary education (e.g., financial aid, Children's Savings Accounts)
- Job training and apprenticeship programs

## EARN

Earn sufficient income to cover expenses and save; may include wages, employer benefits, business income, public benefits, tax credits and investment income

**Households need:**

- Opportunities and support for acquiring education and job skills
- Available quality jobs and business opportunities
- Affordable, reliable services that facilitate work (e.g., transportation, child care, stable housing)
- Access to public benefits and tax credits

## SAVE

Set aside household income left over after meeting basic needs and paying down debt for emergencies and long-term savings for assets, college savings and retirement savings

**Households need:**

- Affordable and accessible financial products and services
- Incentive programs that help savings grow, such as CSAs and IDAs
- Income that is sufficient to meet basic expenses, with some left over

## OWN

Acquire a home, business, investments and/or other assets that help build financial security and wealth

**Households need:**

- Affordable options (e.g., subsidized housing, low minimums for investments)
- Access to affordable financing for mortgages and business loans
- Incentives/supports for asset purchases (e.g., downpayment assistance, tax benefits, IDAs)
- Preparation/skill-building prior to purchases (e.g., first-time homebuyer classes and business training)

## PROTECT

Protect—through insurance, consumer protections, financial service regulations and other services and policies—what households earn, save and own against loss of income or assets, significant expenses (e.g., high medical costs) and predatory practices

**Households need:**

- Access to affordable, quality insurance, including unemployment, disability, health and homeowners'/renters' insurance
- Policies that protect consumers and regulate financial services
- Access to services that help address financial emergencies (e.g., foreclosure prevention programs, emergency loans)

# Nevada State Profile

scorecard.prosperitynow.org

PROSPERITY NOW SCORECARD/STATE PROFILE

## NEVADA

Outcome Rank

46

### OUTCOME MEASURES

The Scorecard ranks 56 outcome measures from best to worst; #1 is the most desirable, #51 is the least desirable. Data for an additional 4 measures are published but not ranked due to insufficient data at the state level. Issue area ranks are calculated by averaging the ranks of measures within the issue area; overall ranks are calculated by averaging all of the outcome measures ranks. Grades are given on a curve: states ranked 1-10 get As, ranked 11-20 get Bs, ranked 21-36 get Cs, ranked 37-47 get Ds and those ranked 48-51 get Fs.

#### Financial Assets & Income

ISSUE AREA RANK: 43

GRADE D

OUTCOME MEASURE	STATE DATA	US DATA	STATE RANK
Liquid Asset Poverty Rate	43.5%	36.8%	34
Asset Poverty Rate	26.2% *	25.5%	—
Net Worth	\$56,860 *	\$76,708	—
Households with Zero Net Worth	17.0% *	16.9%	—
Emergency Savings	54.8%	56.3%	34
Income Poverty Rate	13.5%	13.8%	26
Income Poverty by Race	1.8x higher for HHs of color	2.1x higher for HHs of color	10
Income Inequality	4.3x as high for top 20%	4.9x as high for top 20%	10
Income Volatility	25.2%	20.9%	43
Unbanked Households	8.9%	7.0%	39
Underbanked Households	27.3%	19.9%	51
Households with Savings Accounts	70.4%	70.8%	31
Consumers with Prime Credit	43.4%	51.0%	45
On-Time Payers	76.8%	79.7%	42
Access to Revolving Credit	73.2%	71.9%	27
Bankruptcy Rate (per 1,000 people)	3.0	2.4	39

#### Businesses & Jobs

ISSUE AREA RANK: 45

GRADE D

OUTCOME MEASURE	STATE DATA	US DATA	STATE RANK
Microenterprise Ownership Rate	15.9%	18.2%	32
Small Business Ownership Rate	1.22%	1.47%	50
Business Ownership by Race	1.74x as high for white workers	1.22x as high for white workers	42
Business Ownership by Gender	1.1x as high for men	1.3x as high for men	6
Business Value by Race	3.3x as high for white bus. owners	2.9x as high for white bus. owners	38
Business Value by Gender	2.9x as high for men	3x as high for men	21
Unemployment Rate	5.9%	4.9%	44
Unemployment by Race	1.9x as high for workers of color	1.6x as high for workers of color	34
Underemployment Rate	12.2%	9.6%	49
Low-Wage Jobs	25.4%	24.2%	27
Average Annual Pay	\$46,816	\$52,942	39
Employers Offering Health Insurance	52.7%	45.7%	4



STATE PROFILE  
NEVADA

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SCORECARD

OUTCOME RANK

46

POLICIES ADOPTED

17  
out of 53

OUTCOME HIGHLIGHTS

43.4%

of Nevada credit users have prime credit

54.8%

of Nevada households kept emergency savings in the past year

25.4%

of jobs in Nevada are low-wage jobs

49.5%

of renters in Nevada are cost burdened



Has state eliminated TANF asset test?



Has state enacted an EITC that is refundable and at least 15% of the federal credit?



Will state's minimum wage be at least \$15 by 2022 or is it indexed for inflation?



Has state expanded Medicaid to at least 138% or more of federal poverty level?

#### About the Prosperity Now Scorecard

The 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. The Scorecard equips advocates, policymakers and practitioners with national, state, county and city data to jump-start a conversation about solutions and policies that put households on stronger financial footing across five issue areas: Financial Assets & Income, Businesses & Jobs, Homeownership & Housing, Health Care and Education.

# Notable State Data

Income poverty (26 <sup>th</sup> )	13.5% (2017) 12.9% (2018)	EARN
Low wage jobs (27 <sup>th</sup> , 28 <sup>th</sup> )	25.4% 23.3%	EARN
Income volatility (43 <sup>rd</sup> )	25%	EARN
Unbanked (39 <sup>th</sup> )	8.9%	SAVE
Underbanked (51 <sup>st</sup> )	27.3%	SAVE
Have emergency savings (34 <sup>th</sup> )	55%	SAVE
Prime credit (45 <sup>th</sup> )	43.4%	SAVE/PROTECT
Housing affordability (41 <sup>st</sup> , 42 <sup>nd</sup> )	4.2x income (2017) 4.3x income (2018)	OWN
High Cost Mortgages (51 <sup>st</sup> )	16.3%	OWN/PROTECT

# Open Discussion

- What challenges are clients and communities facing?
- What are additional data that are concerning?
- What programs & policies are working and effective?
- Are there barriers that keep these solutions from scale?

# Getting Involved

- Sharing input with the taskforce through OANV or public comment at meetings
- Sharing descriptions and evaluations of programs that are working to reduce financial insecurity