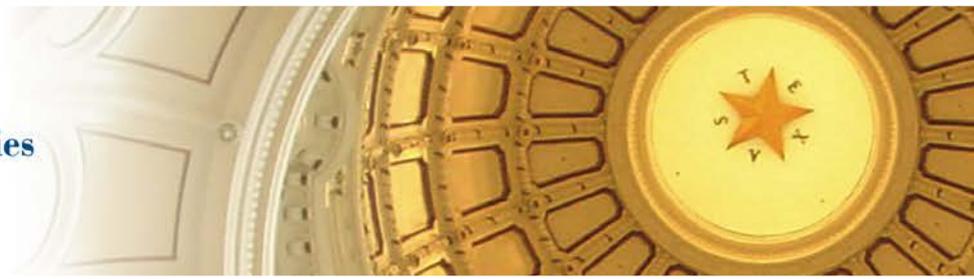




Center for Public Policy Priorities



***Building the Case for Change:
A Preview of the
Texas Regional Opportunity Index (TROI)***

Texas State Data Center

Annual SDC/BIDC Conference for Data Users

Austin TX

May 23, 2012

Don Baylor, Jr. (baylor@cphp.org)

OpportunityTexas



What CPPP Does

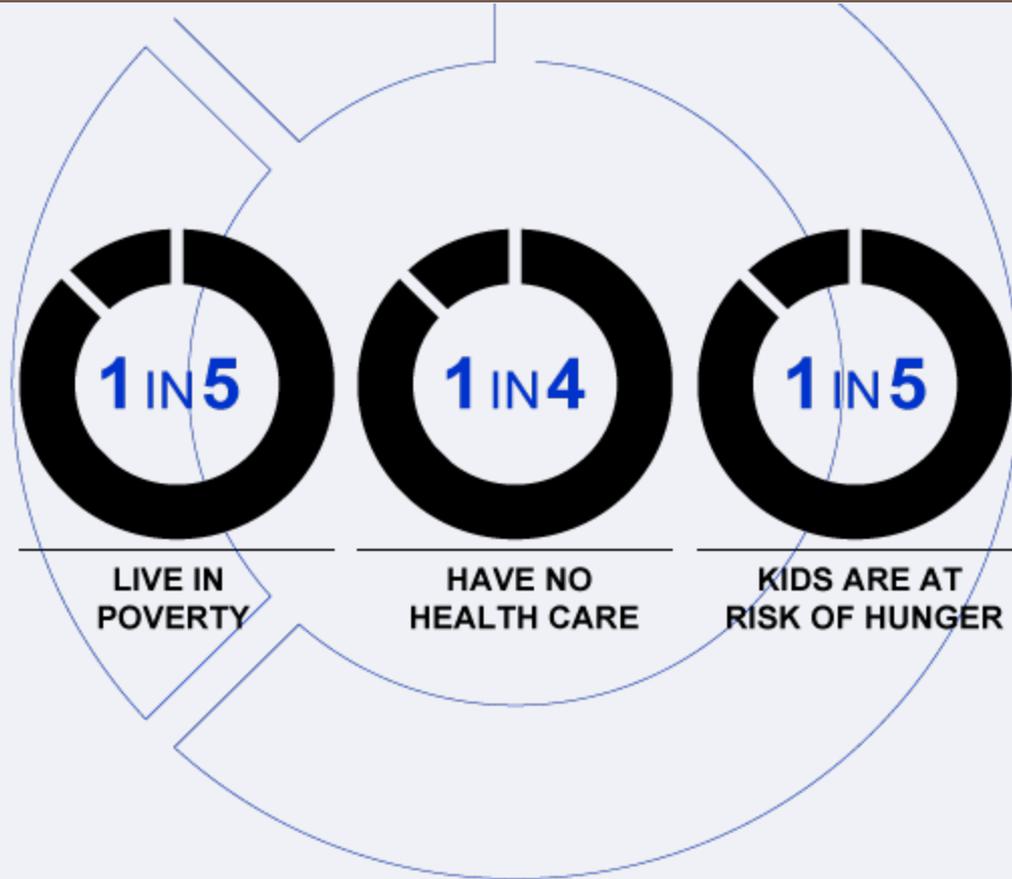
Improving public policies to better the economic and social conditions of low- and moderate-income Texans.

- Creating **economic opportunity** to strengthen families and grow the middle class;
- Increasing access to **quality, affordable health insurance**;
- Helping families meet **basic needs**;
- Enhancing **child well-being and child protection**;
- Ensuring **effective public administration**; and
- Securing **fair and adequate taxation** to pay for critical public investments in Texas.



FAMILY BUDGETS

WHAT IT REALLY TAKES



FROM MEETING BASIC NEEDS TO REALIZING FULL POTENTIAL
TO MAKING OUR STATE A BETTER PLACE FOR ALL OF US

REVISION COMING THIS FALL!



CENTER for PUBLIC POLICY PRIORITIES

WORKING FOR A BETTER TEXAS™



FAMILY BUDGETS

WHAT IT REALLY TAKES

- 25 metro areas
- 8 family types
for one- and two-adult homes
with three children or less
- **Family expenses**
 - housing,
 - food,
 - transportation,
 - child care,
 - health care, and
 - basic necessities.
- **NEW! Savings**

REVISION COMING THIS FALL!



CENTER for PUBLIC POLICY PRIORITIES

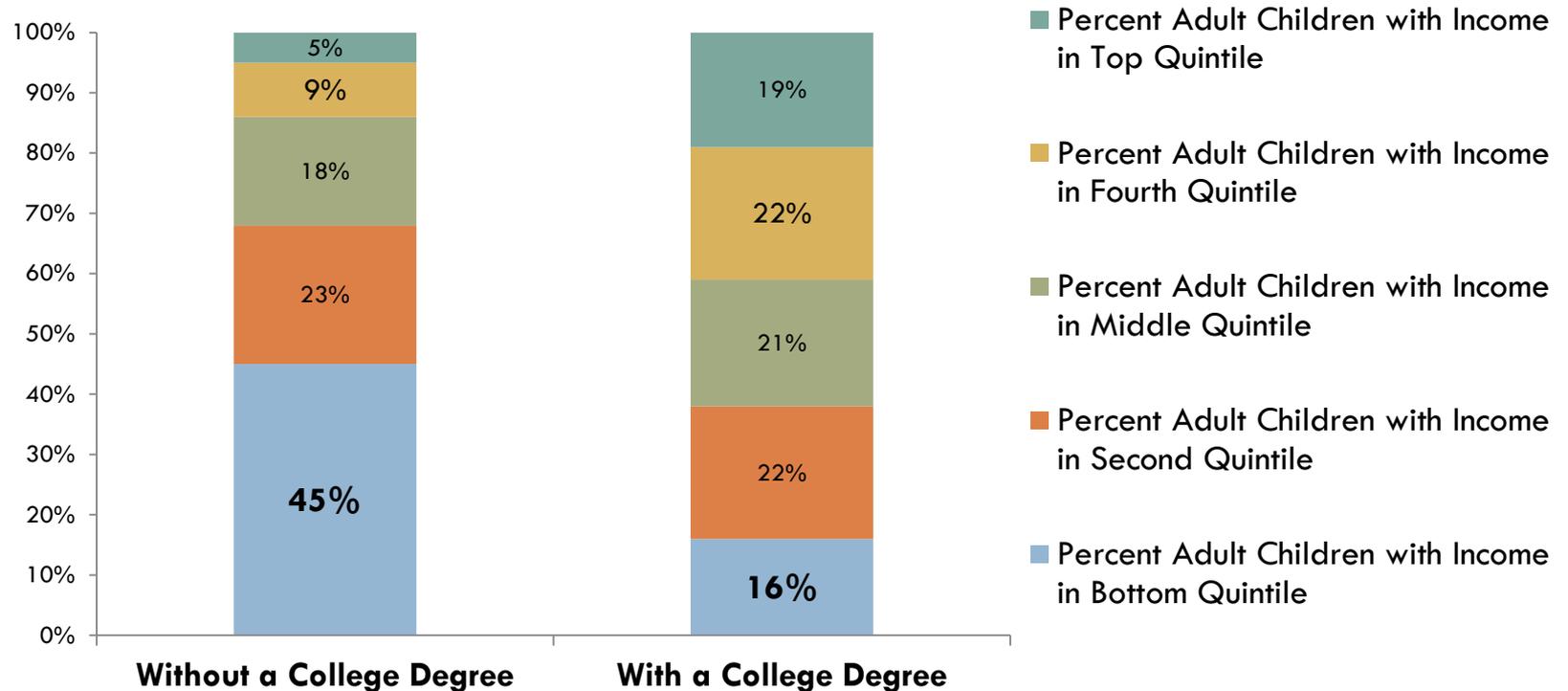
WORKING FOR A **BETTER TEXAS**™



- Growing Statewide network working to support and expand asset-building activities in Texas, with a focus on low- and moderate-income areas.
- Committed to building financial success of Texans through financial education, IDAs, children's savings accounts, community tax centers, and other programs that lead to increased economic security and prevent asset stripping.
- Provides technical assistance and start-up resources for new local asset building programs.
- Emerges as the 1st 501c3 (independent) statewide asset building coalition

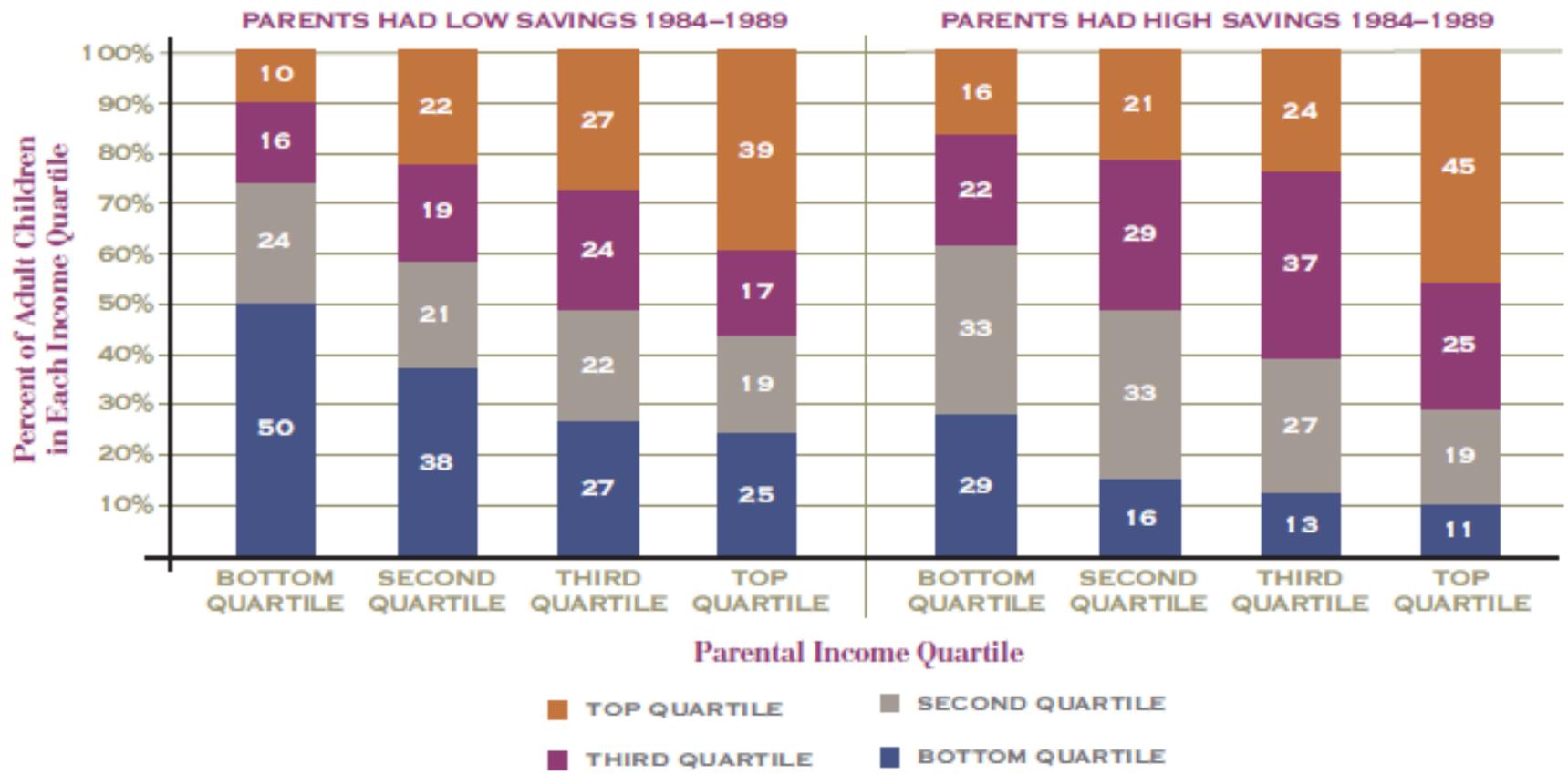
Children are nearly three times more likely to emerge from poverty if they complete college

A College Degree Helps Poor Children Get Ahead (Children in Bottom Quartile)



Children Growing Up in “High Savings” Households Earn More as Adults

Pew Economic Mobility Project





Opportunity TexasTM

LEARN. EARN. SAVE.

OPPORTUNITY TEXAS

Credit scores & credit building
Financial education & saving
Skills development & adult education
Public benefits screening & work supports
Direct deposit & electronic payments
Financial stability & consumer protection
Entrepreneurship & economic growth
College access & success

Financial Institutions

K-12 Education & College Access

Community Partners & Statewide Networks

Higher Education

Development

Public Policy & Advocacy

Philanthropy

Employers & Chambers of Commerce

Integrated Delivery

Innovation & Best Practices

Scale/
Expanded Access

Raising Awareness

Federal, State & Local Public Sector

Leveraging Instruments

Long Term Outcomes

Community Tax & Economic Opportunity Centers

Rural & Economic Development

Partnership & Stakeholder Engagement

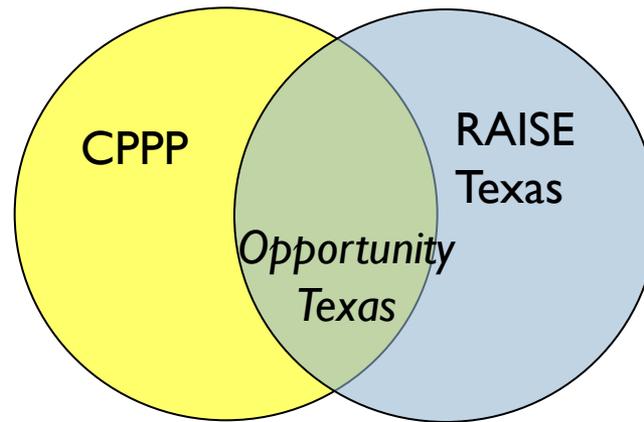
What is OpportunityTexas?



CPPP Roles &

Strengths:

- Advocate
- Policy Innovation & Development
- Research & Data Analysis
- Communications & Coalition Building



RAISE Texas

Roles & Strengths:

- Technical Assistance
- Advisor
- Grassroots Network
- Convener-Collaborator

OpportunityTexas

- Creates an engaging platform for savings, financial education and **financial preparation for college**
- Uses existing statewide delivery systems, such as the K-12 system and the workplace, to increase the financial success of Texans
- Forges new partnerships between higher education, business, nonprofits, the public sector, philanthropy, employers, and national intermediaries

What We Do



- Engage local communities and stakeholders to evaluate community needs to support financial stability and expand economic opportunity
- Provide seed capital to support innovative and proven asset building tools with the potential to scale
- Design and advance state policies that improve family financial stability and students financial preparation for college
- Enable state policy input & advocacy from regional and statewide organizations
- Establish Measures for Financial Stability & Economic Mobility
- Share best practices and innovations with regional, statewide, and national stakeholders

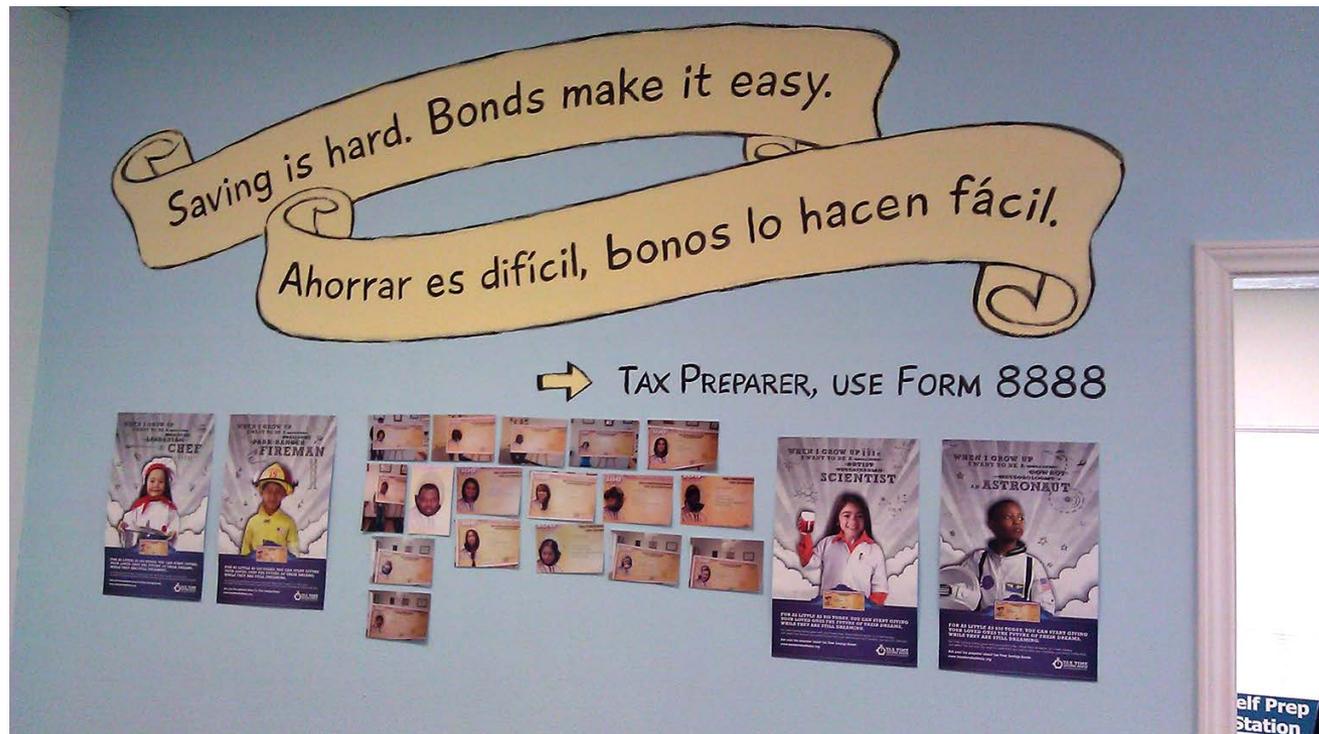
Our Focus Areas



- Increasing Financial Stability & Inclusion
- Labor Markets & Skills Development
- Financial Preparation for Postsecondary Success
- Local Data Platforms
- Innovation & Investment Fund

Innovation & Investment Fund Tax-time Savings Project

Incentivizing filers to save a portion of their tax refund at VITA sites
across the state



Wall mural and client photos at Foundation Communities' Community Financial Center

Innovation & Investment Fund

Tax-time Savings Project

Year	2010	2011	2012
Filers that Saved on Tax Return (Number of OT Savings Bonds)	77	836 (255)	1,728 (~1,000)
Tax Returns Prepared (VITA)	93,206	104,116	114,019
Percentage of VITA Filers that Saved on Tax Return	.08%	.80%	1.52%
% of Texas VITA Sites Where Clients Saved on Tax Return	15%	31%	36%
Average EITC	\$1,917	\$1,925	\$1,971
% of VITA Sites Where Clients Purchased Savings Bonds			22%

2011: OT's projects in **9 communities** accounted for over **30% of VITA savers**, generating **\$30,000 in filer savings**

2012: OT's projects in **12 communities** accounted for over **50% of VITA savers**, generating approx. **\$120,000 in savings -- over 6 times our investment**



for Working Families
State-IDA Program Support
Lifting Assets Limits in Public Ben
Protections from Predatory Sh
State Microenterprise Support
Job Quality Standards
Foreclosure Prevention an
First-Time Homebuyer A
Access to Health Insur
Access to Quality K-
Financial Education
College Savings In

Assets & Opportunity Scorecard:

Financial Insecurity and Policies to Rebuild Prosperity in America

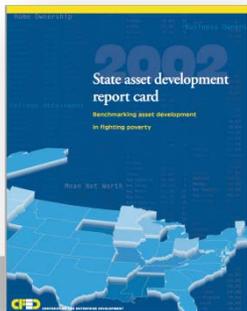
Thanks for joining!

www.assetsandopportunity.org

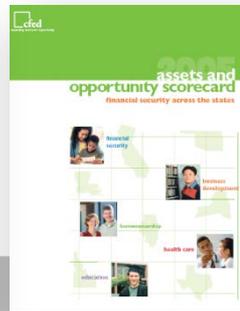
Measuring financial security and opportunity

16

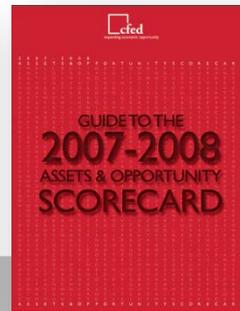
- The *Assets & Opportunity Scorecard* is a leading source of data on household financial security and policy solutions



2002



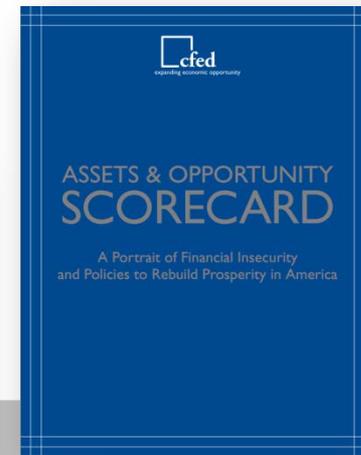
2005



2007



2009

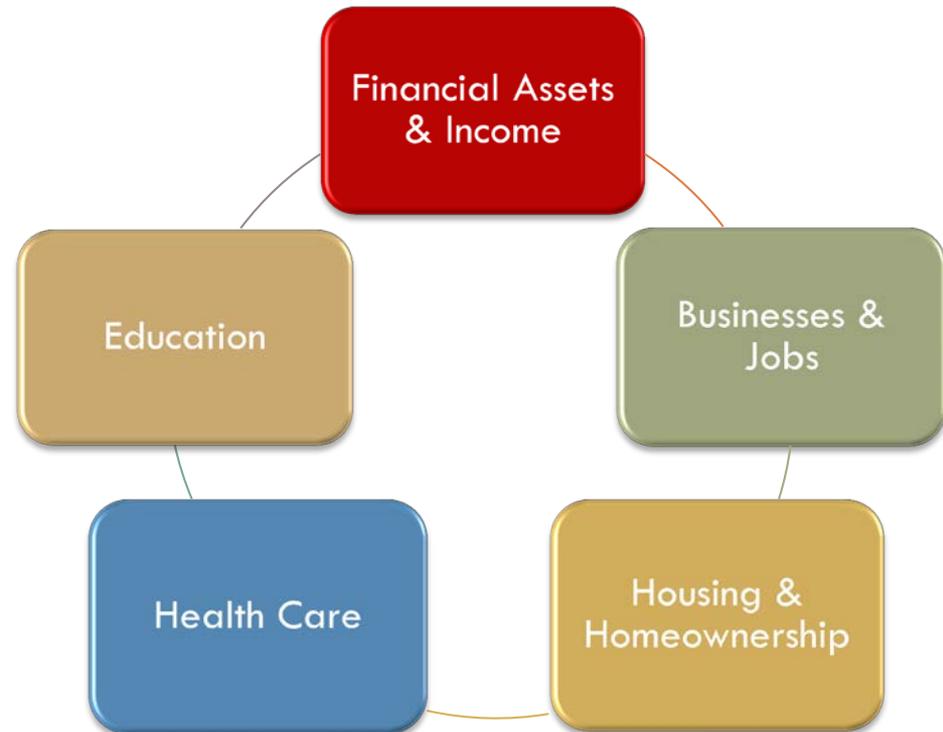


2012

A comprehensive look at financial security and opportunity

The 2012 CFED

Assets & Opportunity
Scorecard includes 101
measures of financial
security and
opportunity



CFED Assets & Opportunity Scorecard: Areas Where Texas Leads

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Indicator	Texas	U.S.	Texas Ranks
Foreclosure Rate	1.9%	4.4%	9th
Average Credit Card Debt	\$6,284	\$10,852	4th
Microenterprise Ownership Rate	17.4%	16.0%	9th
Bankruptcy Rate	2.2 (per 1,000)	5.0	4th

Areas Where Texas Lags

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Outcome Measure	Texas	U.S.	Rank
Liquid Asset Poverty	50.6%	43.1%	33 rd
Unbanked/Underbanked	11.7%/24.1%	7.7%/17.9%	47 th /48 th
Subprime Consumers	65.1%	55.8%	49 th
Low-Wage Jobs	28.0%	22.0%	41 st
High-Cost Mortgage Loans	8.0%	5.2%	47 th
Uninsured Rate	26.2%	17.7%	51 st
High School Degrees	80.7%	85.6%	51 st



What influences these outcomes?

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- *Financial and social assets you or your family start with*
- *Connection to the financial mainstream*
- *Federal, state and local public policy infrastructure*
- *History & Demographics*
- *Service Delivery, Case Management & Innovation*

12 Policies to Increase Financial Security and Opportunity

LEARN financial skills & build human capital

1. Integrate financial education in schools
2. Provide access to quality K-12 education

EARN income & public benefits

3. Offer tax credits for working families
4. Increase job quality standards

SAVE for emergencies & future

5. Lift asset limits in public benefit programs
6. Fund state IDAs
7. Provide college savings incentives

INVEST in assets to generate wealth, income

8. Support microenterprises
9. Assist first-time homebuyers

PROTECT gains made through insurance & avoiding predatory practices

10. Protect consumers from predatory short-term loans
11. Prevent and protect against foreclosure
12. Improve access to health insurance

Texas Regional Opportunity Index (TROI)

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Identifies, develops, and compares economic mobility indicators across regions in Texas:

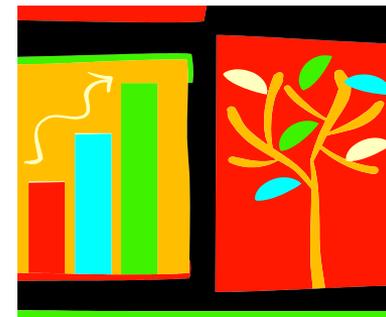
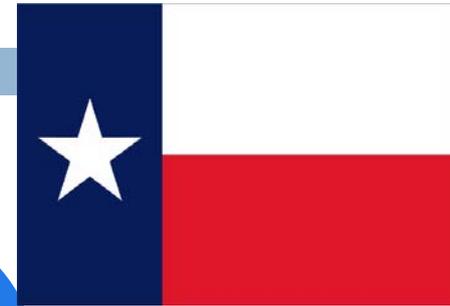
- ★ Counties
- ★ State Agency (Multi-County) Jurisdictions
- ★ Population/MSA Tiers

Incorporates:

- ★ National (Survey/Census) Data
- ★ Federal & State Agency Data
- ★ Proprietary Data
- ★ Customized Sources & Queries

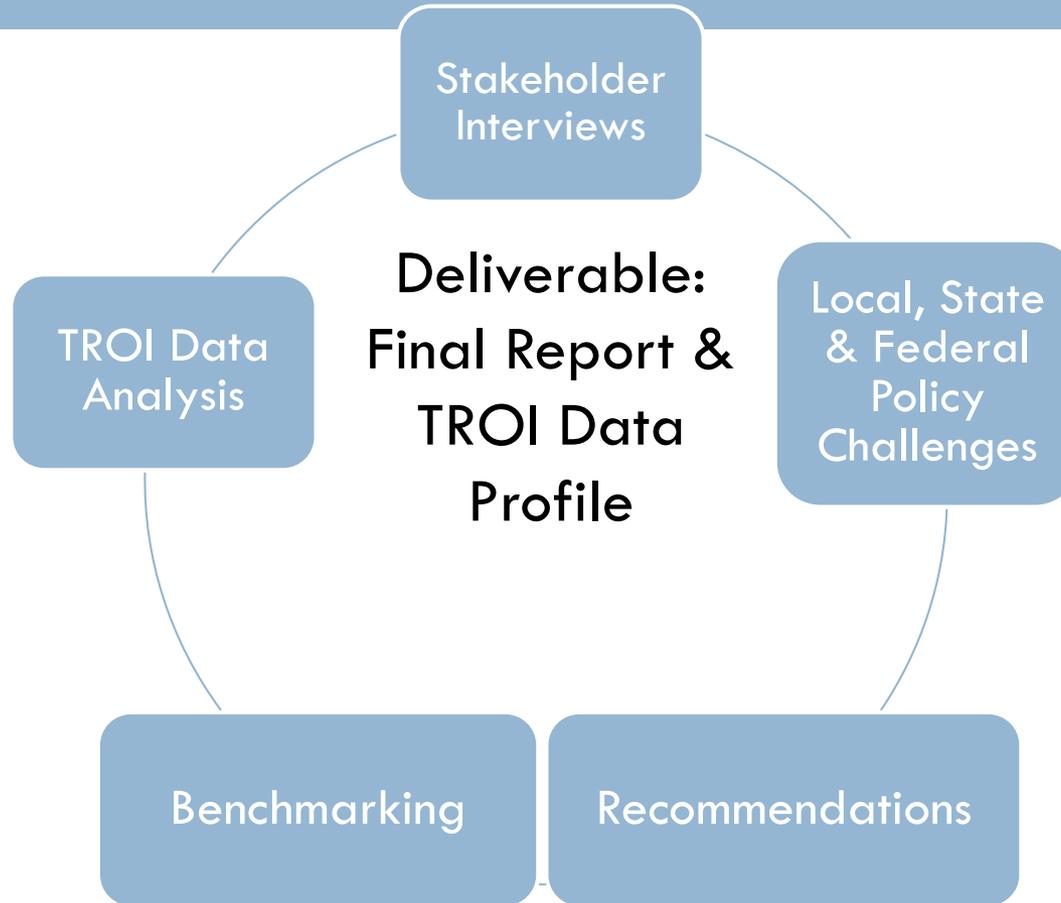
Includes:

- Periodic Updates
- ★ Local TROI Assessments
- ★ Web-Based Platform with GIS Capability (Fall 2012)



Local Opportunity Assessment

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UNITED WAY OF MIDLAND TEXAS REGIONAL OPPORTUNITY INDEX

United Way of Midland Board Meeting
Local Opportunity Assessment
May 2012

TROI: Where Midland County Leads

Indicator	Cluster	Midland County	Texas
Business Establishment Rate	<i>Economic Development & Jobs</i>	34.0	20.9
Labor Force Participation Rate	<i>Economic Development & Jobs</i>	77.6%	666.4%
Unbanked/Underbanked Rate	<i>Income & Financial Stability</i>	9.9%/11.1%	11.6%/24.1%
Food Bank Distribution Rate	<i>Income & Financial Stability</i>	31.8	24.7
Postsecondary (2yr) Enrollment Rate for Recent High School Grads	<i>Postsecondary Education & Skills Development</i>	8.9%	13.4%

TROI: Where Potter County Lags

Indicator	Cluster	Potter County	Texas
IRS VITA Preparation Rate	<i>Income & Financial Stability</i>	0%	1.6%
WIC Participation Rate	<i>Income & Financial Stability</i>	66.6%	79.7%
Unbanked/Underbanked Rate	<i>Income & Financial Stability</i>	12.4%/25.4%	11.7%/24.1%
B.A. Rate for Full-Time 2yr College Students	<i>Postsecondary Education & Training</i>	8.9%	13.4%
Subprime Consumers	<i>Credit & Debt</i>	50.9%	44.3%
Average Credit Score	<i>Credit & Debt</i>	661	674
SAT/ACT Participation Rate	<i>K-12 Education</i>	51.3%	62.8%
Prepaid College Savings Rate	<i>Savings & Assets</i>	1.86 (per 1,000)	3.43 (per 1,000)

Midland TROI Profile

Opportunity Cluster	Indicator	Texas	Midland County	Population Tier 2 County	Region 18 Midland (ESCR)	Region 9 West Texas (HER)	West Texas (TCR)	Region 9 Permian Basin (COG)	Region 11 Permian Basin (WDA)
Credit & Debt	Average Credit Score	673.3	675.2	666.7	663.7	665.4	665.4	662.1	662.1
Credit & Debt	Bankruptcy Rate	2.2	1.2	1.9	1.0	1.2	1.2	1.0	1.0
Credit & Debt	Credit Card Debt Burden	4.6%	3.7%	4.5%	4.0%	4.6%	4.6%	4.4%	4.4%
Credit & Debt	Excellent Credit Score Rate	34.6%	36.0%	32.4%	30.9%	31.8%	31.8%	30.4%	30.4%
Credit & Debt	Student Debt Burden	11.2%	9.9%	11.4%	10.1%	9.3%	9.3%	8.7%	8.7%
Credit & Debt	Subprime Credit Score Rate (Below 660)	44.4%	44.2%	47.4%	49.2%	48.4%	48.4%	49.9%	49.9%
Economic Development & Jobs									
Economic Development & Jobs	Business Establishment Rate	20.9	34.0	22.3	27.0	26.0	26.0	26.3	26.3
Economic Development & Jobs	Labor Force Participation Rate	66.4%	77.6%	65.3%	73.1%	69.0%	69.0%	70.5%	70.5%
Economic Development & Jobs	Long-Term Unemployment Rate	59.3%	58.3%	57.5%	56.4%	56.5%	56.5%	55.6%	55.6%
Economic Development & Jobs	Microbusiness Rate	18.6%	6.3%	18.4%	19.0%	18.7%	18.7%	19.1%	19.1%
Health									
Health	CHIP Renewal Rate	63.6%	47.6%	60.3%	52.1%	58.1%	58.1%	53.2%	53.2%
Health	Low-Income Children's Health Insurance Coverage Rate	48.1%	37.6%	52.2%	46.6%	48.6%	48.6%	48.0%	48.0%
Health	Primary Care Providers	9.2	7.3	10.6	8.7	8.1	8.1	8.2	8.2
Health	Uninsured Rate for Adults (under 65)	26.3%	23.8%	25.9%	27.6%	27.8%	27.8%	27.8%	27.8%
Health	Uninsured Rate for Children in Low-Income Working Age Adult Uninsured Rate	22.9%	24.9%	19.8%	24.7%	24.0%	24.0%	24.6%	24.6%
Health	Rate	57.8%	55.7%	52.3%	56.9%	56.2%	56.2%	57.0%	57.0%

State Policy Goals



- Removing Savings Penalties (Asset Limits) for Texans on SNAP, CHIP, Medicaid, & TANF
- Expanding Access to College Savings Accounts for K-8 Students
- Obtaining Basic Protections for Consumers of High-Cost Financial Products
- Reforming and Improving Financial Aid Access
- Securing Adequate Revenue to Support Education, Financial Stability, & Economic Mobility

Texas College Savings Gap

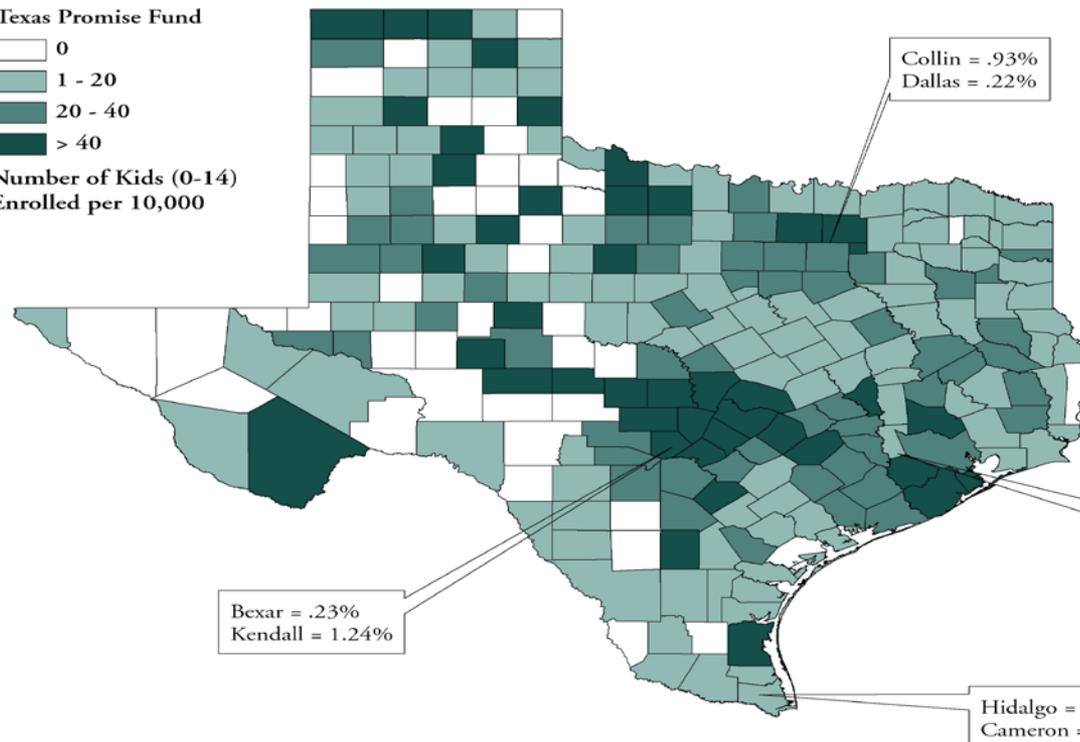
Texas College Promise Rate

Children who have a savings account for college are 7 times more likely to attend a 4-year college than youth with no account.

Texas Promise Fund

0
1 - 20
20 - 40
> 40

Number of Kids (0-14)
Enrolled per 10,000



Demographics of Enrolled Children

- Half of all Texas children are in families making less than \$50K, but make up only 6% of enrollees.
- African American and Hispanic children are 7 times less likely to be enrolled than Anglos.
- Children whose parents only have a high school education are 12 times less likely to be enrolled than the average child.



BETTER
TEXAS™

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