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End of Summer Symposium

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FLORIDA PROSPERITY PARTNERSHIP

Research Team #6



“Financial Capability Should Be Color-Blind”

Kayla Maples and Steven Jordan

FLORIDA PROSPERITY PARTNERSHIP



The background features abstract, overlapping geometric shapes in various shades of purple and white, creating a modern, layered effect. The shapes are primarily triangles and polygons, some solid and some semi-transparent, arranged in a way that suggests depth and movement.

Financial Capability is Color-Blind

Steven Jordan and Kayla Maples

What Is Financial Capability?

▶ Access

▶ Attitude

▶ Knowledge

▶ Skills



Poverty

► What is it?

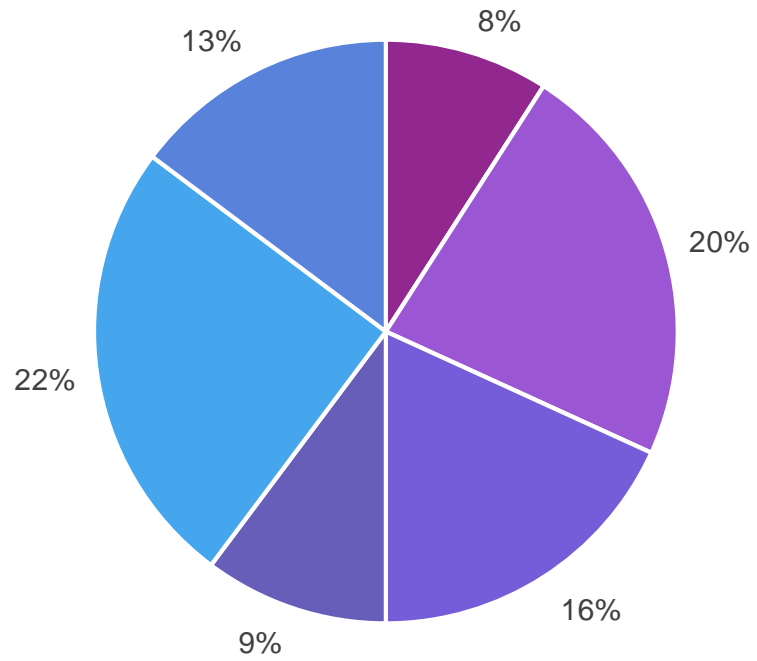
2018 Federal Poverty Guidelines

Family Size	Gross Annual Income	Gross Monthly Income	Approximate Hourly Wage
1	\$12,140	\$1,012	\$5.84
2	\$16,460	\$1,372	\$7.91
3	\$20,780	\$1,732	\$9.99
4	\$25,100	\$2,092	\$12.07
5	\$29,420	\$2,452	\$14.14
6	\$33,740	\$2,812	\$16.22
7	\$38,060	\$3,172	\$18.30
8	\$42,380	\$3,532	\$20.38
Over 8 add per person:	\$4,320	\$360	\$2.08

Poverty Rates in FL

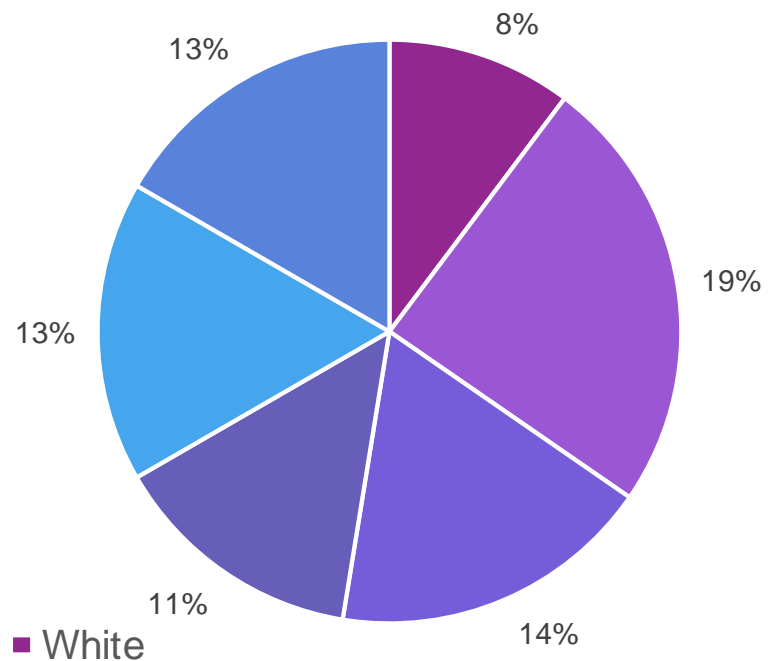
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Poverty rates in US



- White
- Black
- Hispanic
- Asian/Native Hawaiian and Pacific Islander
- American Indian/Alaska native
- multiple races

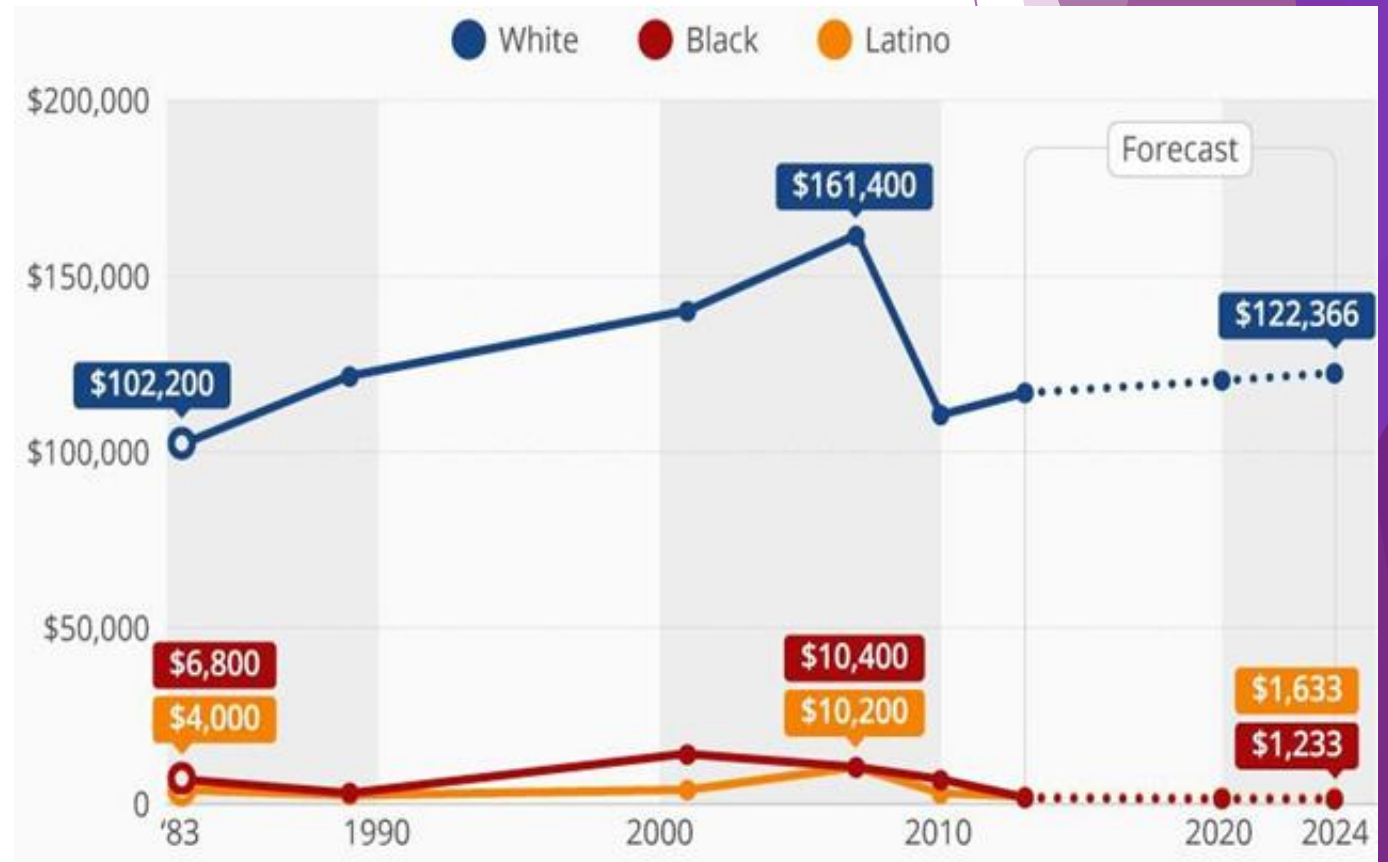
Poverty Rates in FL



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Racial Wealth Gap

- ▶ What Gap?
- ▶ Why:
 - ▶ Lack of education
 - ▶ Stuck
 - ▶ Housing
 - ▶ Healthcare
 - ▶ Unbanked/Underbanked



Lack of Education

- ▶ Only 17 states require a finance course
- ▶ 32 million adults are considered illiterate
- ▶ All states should require a finance course

Stuck

- ▶ Cycle of poverty
- ▶ Single parenting
- ▶ Baby bonds

Race/Ethnicity	children in single-parent families
Asian Americans and Pacific Islanders	17%
Whites	25%
Hispanics	42%
American Indian and Native Alaskans	53%
Blacks	67%

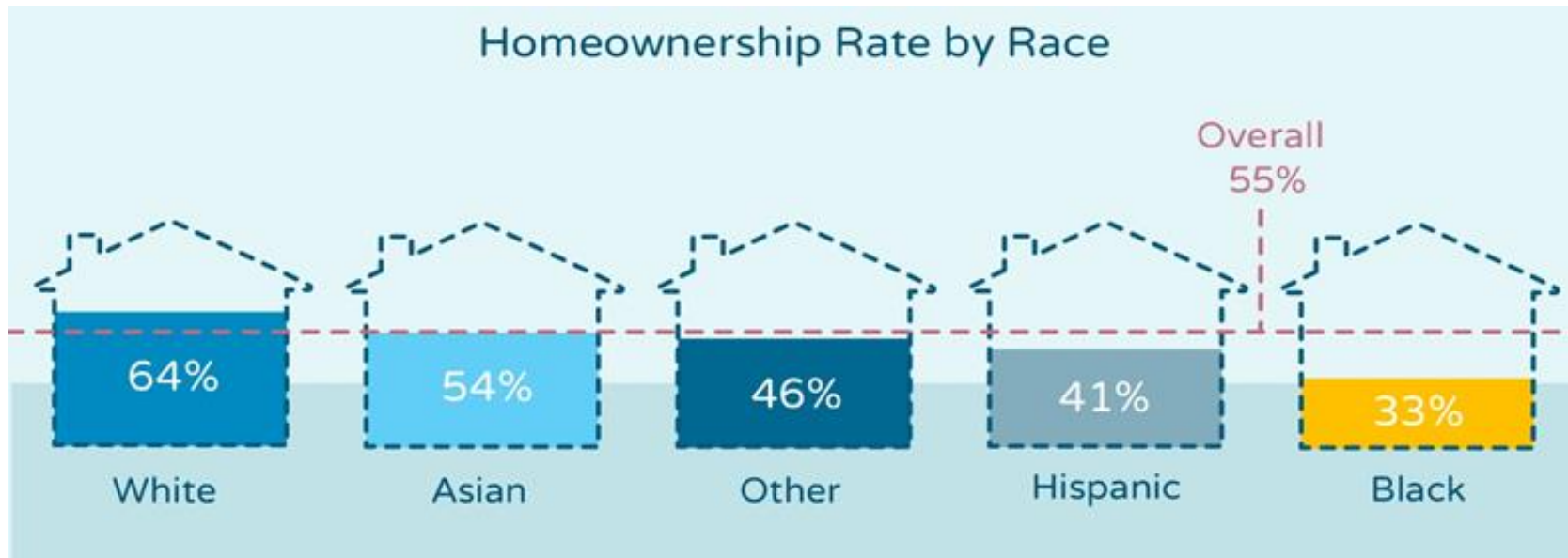
American Opportunity Accounts Act distribution by income

At birth, every child would be given an account seeded with **\$1,000**. Children would receive additional deposits depending on family income.

Income as % of federal poverty line	Income for a family of 4	Supplemental payment annual amount	Est. account balance for 18-year-old
<100% of FPL	<\$25,100	\$2,000	\$46,215
125% of FPL	\$31,375	\$1,500	\$35,081
175% of FPL	\$43,925	\$1,000	\$23,948
225% of FPL	\$56,475	\$500	\$12,815
325% of FPL	\$81,575	\$250	\$7,248
500% of FPL	\$125,751	\$0	\$1,681

Housing

- ▶ “Redlining”(again)
- ▶ Biggest investment most make
- ▶ Hispanic/black neighborhoods undervalued
- ▶ “American Housing and Economic Mobility Act”



Healthcare

- ▶ Injury is the leading cause of bankruptcy(46%)
- ▶ Low-income who can't afford unexpected expenses
- ▶ Most that do not have it are people of color
- ▶ Make healthcare free for all

Unbanked/Underbanked

- ▶ Too many unbanked/underbanked
- ▶ “Redlined” areas
- ▶ Mostly those of color
- ▶ Bank On

	Unbanked (%)	Underbanked (%)
Black	16.9	30.4
Hispanic	14.0	28.9
Asian	2.5	17.5
White	3.0	14.1
Other	12.8	28

Summary

- ▶ Require personal finance class
- ▶ Baby Bonds
- ▶ “American Housing and economic Mobility Act”
- ▶ Healthcare for all
- ▶ Coalitions/programs (Bank On)