

MEDIA RELEASE

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New Report Puts Focus on Assets and Financial Security in Oklahoma

(Oklahoma City, September 21, 2009): The release of a comprehensive new state-level Scorecard on assets and financial stability provides an opportunity to focus on efforts to help Oklahoma families get ahead and become more financially secure, according to the members of a state coalition dedicated to asset building.

The 2009-2010 Assets and Opportunities Scorecard provides a detailed, data-rich look at wealth, poverty, and the financial security of families in all 50 states. It was developed by CFED (Corporation for Enterprise Development), a national economic non-profit. The report gave Oklahoma an overall grade of “C”, finding that the state is performing well in housing measures but falling behind in financial assets and health care.

“We know that assets are the cornerstone of family economic security,” said Steve Shepelwich, Senior Community Affairs Advisor at the Oklahoma City Branch of the Federal Reserve Bank of Kansas City, who serves as Chair of the Oklahoma Asset Building Coalition (OkABC). “The Scorecard provides us a unique snapshot of where we are in Oklahoma on a broad range of outcome measures and policies related to assets, and helps us identify areas for progress.” The Oklahoma Asset Building Coalition brings together organizations and individuals to identify and strengthen programs and policies that help Oklahomans achieve economic security.

Among the Scorecard’s main findings is that nearly one-quarter (22.7 percent) of Oklahoma households live in “asset poverty”, defined as lacking sufficient net worth to subsist at the poverty level for three months in the absence of income. Over half those households – 12.0 percent of the total population – are identified as in “extreme asset poverty”, meaning they have zero or negative net worth. These families have no cushion in the case of job loss, major medical incident or family break-up.

“The Scorecard provides a unique lens to identify and assess policy and program options to improve financial security for all Oklahomans. We need a commitment to develop public policies that are aimed at protecting financial assets, expanding education opportunities, and improving health care,” stated Matt Guillory, Executive Director of Oklahoma Policy Institute, which is the lead state partner with CFED for the report.

Oklahoma received its best grade in the area of housing and homeownership – a “B” – and ranked among the top fifth of states for small business ownership rate and microenterprise ownership rate. “Many of our state economic development programs are based on strengthening assets such as home

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ownership and business ownerships in communities around the state," said Kathy McLaughlin, Director of Programs for the Oklahoma Department of Commerce and a member of OkABC's steering committee. "It is encouraging to see Oklahoma performing well on some of these measures, although the current economic downturn is certainly placing great strain on these critical assets."

The Scorecard recognizes that educational attainment is a key to economic success, but found that Oklahoma continues to rank among the lower tier of states in its percentage of residents with a 2-year college degree (55.5%, 38th) and 4-year college degree (24.6%, 42nd). "Oklahoma has seen a 26 percent increase in degree production since 2001; this is an important accomplishment and indicative of the innovative approaches that we have been taking. But, clearly, we have to continue to improve at an even faster pace in order to be among the national leaders in educational attainment," said Tony Hutchison, Associate Vice-Chancellor for Strategic Planning and Analysis of the State Regents for Higher Education.

The report also points to substantial disparities in assets held by minority populations and women. Anna Knight, Commerce Group Leader of the Cherokee Nations and a member of OkABC's steering committee noted that, "Within the Native American population, there has been a growing understanding that the key to sustainable prosperity depends on policies and programs that create ownership and develop assets for our tribes and their members."

The Scorecard recognizes Oklahoma for the Passport to Financial Literacy Act, passed by the Legislature in 2007, which requires financial education for students to graduate from a public high school.

"We need to build on a foundation of personal financial literacy, starting with our youth, if Oklahomans are going to succeed in saving, investing and building financial assets," said Pamela Gutel, president of the Oklahoma Jump\$tart Coalition for Personal Financial Literacy.

The members of the Coalition will be working over the coming months to share information from the Scorecard with policymakers, community organizations, businesses and others that share a commitment to improving financial security and opportunity for Oklahomans.

Oklahoma's full 4-page state profile, as well as links to all the data for each of the 50 states, can be accessed at Oklahoma Policy Institute's website, at: <http://okpolicy.org/asset-and-opportunity-scorecard>