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Many Rhode Islanders Still Struggling, Especially with Homeownership, CFED Report Finds

*Lack of State Level Data for Several Indicators Reveals Need for More Robust
Public Data Sources*

New data released today by CFED (the [Corporation for Enterprise Development](http://www.corporationforenterprisedevelopment.org)), a national partner of Rhode Island's [Economic Progress Institute](http://www.economicprogressri.org), shows that too many Rhode Island families remain economically vulnerable. Smart public policies that create opportunities for families to save and make investments in their future prosperity pay huge dividends for all of us. The [Assets and Opportunity Scorecard](http://www.scorecard.org), now published annually, shows Rhode Island ranked 35th overall in Outcomes, despite ranking 8th overall in the Scorecard's Policy measures.

Doug Hall, Director of Economic and Fiscal Policy at the Economic Progress Institute isn't surprised by these findings: "We see the economic vulnerability of Rhode Island families in wage and income data (as shown in our recent [State of Working Rhode Island: Workers of Color](http://www.economicprogressri.org) report). Until Rhode Islanders have good jobs that pay economy-boosting wages, they won't be able to set aside savings or invest in homes or businesses."

Across five main issue areas, Rhode Island fares in the middle of the pack in four issue areas (Financial Assets and Income, Businesses and Jobs, Education, and Health Care) but nearly dead last for Housing and Homeownership.

Rhode Island's outcome indicators point to a number of areas where improvements need to be made to improve the financial security of Ocean State families. Rhode Island scores very poorly (40th or worse) in 14 areas, including **8 indicators for housing/homeownership**:

- Income inequality (46th out of 50 states and the District of Columbia)
- Business value by race (44th)
- Underemployment Rate (40th)
- **Homeownership rate (46th)**
- **Homeownership by race (50th)**
- **Homeownership by income (51st)**
- **Homeownership by family structure (50th)**
- **Delinquent mortgage loans (49th)**
- **Affordability of homes (43rd)**
- **Housing cost burden – homeowners (46th)**
- **Housing cost burden – renters (45th)**

- Uninsured by race (45th)
- Uninsured by gender (49th)
- Average college student debt (46th)

While Rhode Island's poor performance on housing/homeownership outcomes in the Assets and Opportunities Scorecard is not new, it is striking. [Jim Ryczek](#), Executive Director of the Rhode Island Coalition for the Homeless responds:

"While Rhode Island clearly has much work to do to meet the state's housing needs, we have significantly increased funding of programs to solve homelessness. We need to match that progress with investments that provide housing options for all Rhode Islanders."

It is also noteworthy that Rhode Island falls in the bottom 11 rankings in three of the six outcome measures that look at disparities by race/ethnicity. National data show stark disparities in wealth based on race and ethnicity. We know that here in Rhode Island, racial disparities in wages and income are significant. The lack of good state-based data on wealth prevents us from fully understanding these disparities, which in turn prevents us from addressing the challenges with the necessary urgency. Another new report released last week by the Annie E Casey Foundation addresses the need for better data:

"To properly gauge the effects of policies and practices on families' ability to build assets, we must have the right tools. Data on family assets are meager and difficult to access, particularly for various racial and ethnic groups. The federal government should explore better mechanisms to track that information, such as representative surveys for national and state use with questions on savings behavior and asset holdings or additional questions in the U.S. Census Bureau's American Community Survey." Annie E Casey Foundation, [Investing in Tomorrow: Helping Families Build Savings and Assets](#)

CFED has been publishing the Asset and Opportunities Scorecard since 2002. It remains a key benchmark in tracking important policy and outcome measures, and highlighting best practices in state policies addressing these areas.

Key policies that Rhode Islanders can adopt to provide greater opportunities for Rhode Island families include:

- Increasing the state Earned Income Tax Credit to 20 percent of the federal credit.
- Further Increasing the minimum wage.
- Providing protections from predatory lending such as payday loans.

These and other measures that boost family incomes will help families set aside savings while investing in assets such as a home.

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About the Institute

The Institute is a non-partisan research and policy organization that works for policies that improve economic security and opportunity for Rhode Islanders. For more information visit www.economicprogressri.org.