PAST THE DROUGHT

Overcoming Barriers to Economic Security in California’s Central Valley

Insight Center for Community Economic Development

California Asset Building Coalition

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Despite decades of contributions to the state’s economic growth, the Central Valley is the poorest region in California, with nearly 4 out of every 10 households unable to afford basic needs.

A disproportionate number of these are people and families of color, women, and immigrants.
“Bare bones” cost-of-living budget for over 700 family types

- Includes housing, childcare, groceries, healthcare, transportation, taxes, miscellaneous items (clothing, diapers, cleaning products, telephone service)
- Does not include a vacation, take-out food, loan payments, or taking a ride service

<table>
<thead>
<tr>
<th>County</th>
<th>2 Adults, 1 Preschooler, 1 School-Aged Child</th>
<th>1 Adult, 1 Preschooler, 1 School-Aged Child</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresno</td>
<td>$14.07</td>
<td>$24.66</td>
</tr>
<tr>
<td>Madera</td>
<td>$14.01</td>
<td>$24.12</td>
</tr>
<tr>
<td>Mariposa</td>
<td>$13.91</td>
<td>$24.24</td>
</tr>
<tr>
<td>Merced</td>
<td>$13.73</td>
<td>$23.88</td>
</tr>
<tr>
<td>Tulare</td>
<td>$13.78</td>
<td>$24.08</td>
</tr>
<tr>
<td>Kings</td>
<td>$13.98</td>
<td>$24.38</td>
</tr>
</tbody>
</table>
Inadequate income is a racial equity issue.

Nearly **200,000** Central Valley households can’t afford basic needs; about **half of these are Latinx**.

Black and Latinx households are more than **2x** likely as Whites to live paycheck-to-paycheck.
On average, half of Central Valley’s ten most common professions pay less than a livable wage.

<table>
<thead>
<tr>
<th>Most Common Jobs</th>
<th>Median Hourly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmworkers and Laborers, Crop, Nursery, and Greenhouse</td>
<td>$11.02</td>
</tr>
<tr>
<td>Personal Care Aides</td>
<td>$11.19</td>
</tr>
<tr>
<td>Combined Food Preparation and Serving Workers, Including Fast Food</td>
<td>$10.96</td>
</tr>
<tr>
<td>Registered Nurses</td>
<td>$45.57</td>
</tr>
<tr>
<td>Cashiers</td>
<td>$11.22</td>
</tr>
<tr>
<td>Retail Salespersons</td>
<td>$11.29</td>
</tr>
<tr>
<td>Secondary School Teachers, Except Special and Career/ Technical Education</td>
<td>$16.71</td>
</tr>
<tr>
<td>Office Clerks, General</td>
<td>$15.27</td>
</tr>
<tr>
<td>Hand laborers and Material Movers</td>
<td>$12.00</td>
</tr>
<tr>
<td>Eligibility Interviewers, Government Programs</td>
<td>$23.30</td>
</tr>
</tbody>
</table>

$13.91 Per Adult: Average Central Valley Self-Sufficiency Wage (2 adults, 1 preschooler, 1 school-age child)

Of all households where two adults work, 1 in 4 are below the Standard

● Having a child doubles one’s likelihood of living below the Standard.
  ○ The average monthly cost of childcare is nearly $830 for one preschool-aged child, an increase of over 20 percent since 2014.
● Nearly half of all multigenerational households live below the Standard.
● Women-headed households are more likely than male-headed households to live below the Standard.
People in the Central Valley have the right to meet their basic needs so that they are on a pathway to thrive, regardless of race, gender, or immigration status.
Strengthen social safety net programs for California workers, immigrants, and families.
+ Expand MediCal to all adults, regardless of immigration status. (Arambula, D-Fresno)
+ Reform current cost of living adjustments for Supplemental Security Income/State Supplementary Payment (SSI/SSP) to keep pace with rising costs of living.

Increase Tax Credits to help more Californians in need achieve economic wellbeing:
+ Expand the state’s earned income tax credit (CalEITC) for immigrants (e.g., DACA, TPS).
+ Change the definition of “work” to include caregiving so more people, especially women and single moms, can qualify for EITC/CalEITC.
+ Improve the California Child and Dependent Care Expense Credit so that low-income families who do not owe state income taxes can benefit from this refund.

Shift Power from Systems to People.
+ Limit the proliferation of small dollar lenders that trap borrowers in cycles of debt.
+ Allow for robust and flexible payment options based on ability to pay for low-income residents to pay off parking and traffic violation tickets.
+ Explore how local agencies and providers can partner up, promote mutual accountability.
Salamat!

For more on Insight’s Self-Sufficiency Standard, visit: http://insightcced.org
Aligning Movements for Economic Equity
**INVISIBLE**
45 million people without access to affordable credit

**STUCK**
42 million are “financially vulnerable” – flat wages, high debt & no savings

**STRAPPED**
Poor families pay ~10% of income on financial services
We find that Americans fall into one of three financial health tiers:

**28% Financially Healthy**
70 million people
These individuals are spending, saving, borrowing, and planning in a way that will allow them to be resilient and pursue opportunities over time.

**55% Financially Coping**
138 million people
These individuals are struggling with some, but not necessarily all, aspects of their financial lives.

**17% Financially Vulnerable**
42 million people
These individuals are struggling with all, or nearly all, aspects of their financial lives.

These findings are based on the CFSI Financial Health Score®, a holistic framework designed to assess and track changes in individuals’ financial health over time.
RESPECT

Respect communities and recognize their dignity and strengths

MEET

Meet people where they are, not where we think they should be

LEVERAGE

Leverage the strengths in people’s lives to build programs and services
It’s a global practice

People come together

To lend and save money
### LENDING CIRCLES

- **January**  $1,000
- **February** $1,000
- **March**  $1,000
- **April**  $1,000

**Partners:** Experian, TransUnion, Equifax
50+
PROVIDERS
17 STATES +
DC
<table>
<thead>
<tr>
<th>MAF’S HIERARCHY OF FINANCIAL NEEDS</th>
<th>MASLOW’S HIERARCHY OF NEEDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stocks, Mutual Funds, Bonds, Real Estate</td>
<td>Creativity, Morality, Problem Solving</td>
</tr>
<tr>
<td><strong>Savings</strong></td>
<td><strong>Savings Accounts, IRA, 401k, 529s</strong></td>
</tr>
<tr>
<td><strong>Credit</strong></td>
<td><strong>Credit Cards, Debt, Consumer Loans</strong></td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td><strong>Insurance, Risk Management</strong></td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td><strong>Income, Cash Flow</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Breathing, Food</strong></td>
</tr>
</tbody>
</table>

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Get a $495 scholarship for your DACA renewal in under 48 hours

APPLY AT LC4DACA.ORG
7,769
Grants Awarded to DACA Recipients

6.7%
of Sept 2017 DACA Renewals were Funded by MAF
52% from LA Area
17% from SF Area
6% from San Diego

44 States Reached
Immigration emergencies are expensive

$10K
Cost of bail to get out of detention (national average)

$3K-5K
Cost of legal representation for a bond hearing

$2K-4K
Attorney fees to transfer guardianship for children

$5K-25K
Attorney fees for deportation defense
• An App for your financial journey

• Financial Education and Skills

• Build Financial Action Plan

• MAF Programs at your fingertips