Financial Capability & Asset Building for All:
A Grand and Achievable Challenge for Social Work

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Financial Capability & Asset Building: Background

- Rising income & asset inequality
- Increasingly financialized lives
- Inadequate financial services & consumer protection
- Social work can restore its historical focus on HH finances
Policy 1: Child Development Accounts

- **CDAs** are investment or savings accounts opened as early as birth to encourage asset accumulation for children’s lifelong development.
  - *Universal*: Includes everyone
  - *Progressive*: Additional deposits for vulnerable populations
- Research shows that CDAs build economic resources for long-term development and affect child well-being.
- Examples: SEED for Oklahoma Kids experiment; Maine, Nevada, Connecticut, Rhode Island.
Policy 2: Financial Capability Gateway

An online financial platform:

- **Financial management**: Synthesize financial records
- **Financial access**: Streamline access to all personal financial accounts and public benefits
- **Financial education, guidance, & empowerment**: Improve financial knowledge, access to support, participation, and claims
- *(Think “MINT” on steroids)*
Welcome to your

Financial Capability Gateway

To achieve lifetime financial security, people must be financially capable and able to accumulate assets.

NEWS AND UPDATES

Kids and college: 529 savings plans explained
Child Development Accounts (CDAs) are savings or investment accounts for long-term developmental goals, including postsecondary education. Available as early as birth, CDAs aim to encourage lifelong asset accumulation. Read more.

Avoid abusive lenders, save a fortune in predators’ fees
The typical car title loan is refinanced eight times, drains more than $4.3 billion in fees a year and strips away twice as much in fees as in credit provided, according to the Center for Responsible Lending. Read more.

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Empowerment in the bottom row, right column is misspelled
FCAB Stakeholders

- **Federal, State and Local Officials and Policymakers** (eg: CFPB, FDIC, consumer affairs, governors, state legislatures, city government, federal/state treasury)
- **Financial Professionals Organizations** (eg: social work, family and consumer science, and financial planning professionals)
- **Consumer Protection Organizations** (eg: non-profit and public organizations, advocates for regulation and consumer protection)
- **Academic and Research Institutions** (eg: K-12, colleges and universities, think tanks that investigate, test, and publish on FCAB)
- **Financial Services Organizations** (eg: banks, credit unions, other financial services organizations)
- **Philanthropic, Corporate, and Government Funders** (ex: Asset Funders Network, financial institutions, federal and state agencies)
Next Steps: Reaching FCAB Goals

• In 3 years, the FCAB Policy Work Group will develop:
  – A large and diverse working group membership and partnerships with key stakeholders
  – Concept papers and strategic directions for each policy recommendation
  – A research agenda and evidence for each policy recommendation
  – Expand CDA policy development in the states
  – Create a model for a Financial Capability Gateway: Using existing programs

• In 10 years, the FCAB Policy Work Group will achieve: --Universal and progressive CDA policy
  – A Financial Capability Gateway for all