

For Immediate Release

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Hawaii Receives “A” for Financial Stability *Hawaii Excels in Assets and Income, Underperforms in Homeownership*

WASHINGTON, DC — While Hawaii leads the nation in many economic stability indicators, it must address high housing cost burdens for renters and owners, according to a report released today by the [Corporation for Enterprise Development](http://www.cfed.org) (CFED), a national economic nonprofit. The state earned an “A” on the 2009-2010 *Assets & Opportunity Scorecard*, with Hawaii leading in some health care and financial assets measures and falling far behind other states in homeownership and other housing rankings.

CFED’s *Assets & Opportunity Scorecard*—online at scorecard.cfed.org—measures the financial security of families in the United States by looking beyond just income to the whole picture of building ownership and protecting against financial setbacks. The *Scorecard* ranks the 50 states and the District of Columbia on 58 performance measures in the areas of Financial Assets & Income, Businesses & Jobs, Housing & Homeownership, Health Care and Education.

Hawaii excelled in Financial Assets & Income, earning an “A” and ranking 1st in net worth, 2nd in bankruptcy and 8th in unemployment. The state also is a national leader in health insurance coverage rates, ranking 2nd in uninsurance, 1st in uninsurance by race, and 4th in uninsured low-income children. However, affordable housing and homeownership are cornerstones to asset building, and Hawaii ranks 48th in homeownership and 47th in housing cost burden for both renters and owners. While performing well in several postsecondary education indicators, Hawaii ranks 45th in math proficiency for 8th graders and 47th in reading proficiency for 8th graders.

“The *Scorecard* provides a broad picture of how families stand, and what it tells us is that many American households were already very vulnerable economically going into this recession,” said CFED President Andrea Levere. “It also shows state by state what is being done to address these vulnerabilities, and while many states are taking some action, in most cases they haven’t been putting a very strong commitment into their efforts.”

The *Scorecard* also assesses states on the strength of its policies to help families build financial security. The *Scorecard* includes a detailed look of state-by-state information on 12 policy priorities, as well as information on 23 additional policies. Together, these policies provide a comprehensive picture of what states can do to help residents build and protect assets.

The *Scorecard* notes that Hawaii’s policymakers have significant opportunities to support the financial well-being of their constituents. To address its low homeownership rate and the high housing cost burden shouldered by renters and owners, Hawaii should provide assistance to first-time homebuyers. The state should also remove savings disincentives by eliminating asset limits in public benefit programs and expand savings incentives by matching low-income individuals’ and families’ savings in Individual Development Accounts or children’s savings accounts to lower Hawaii’s surprisingly high rate of extreme asset poverty. In addition, Hawaii should adopt a state Earned Income Tax Credit to offset high-cost living

to help families make ends meet. Of the 12 policy priorities, Hawaii currently has taken action on five of them, and not a single state policy is rated strong or very strong by the *Scorecard*.

“Hawaii ranks high in health care and business, yet struggles with low-paying jobs and significant housing costs. We need to do more to help families build assets and financial security,” says Robert Agres, Jr., Executive Director of the Hawaii Alliance for Community-Based Economic Development (HACBED), a *Scorecard* State Partner.

Nationally, the *Scorecard* notes that even before the current recession, economic vulnerability was growing, especially among low- and middle-income families. Among the findings:

- While U.S. households overall registered a 27% increase in net worth between 2004 and 2006, median net worth *fell* over that period for the 40% of U.S. households earning less than \$37,000 a year.
- The number of individuals with employer-provided health insurance fell sharply, to 60.9% from 63.2%, leaving more families vulnerable and financially unprepared for health emergencies.
- The median amount of revolving debt, including credit card debt, rose 64% between 2006 and 2008 from \$1,805 to \$2,960.
- Slightly more than 12% of households live below the federal income poverty line, but nearly double that amount (22.5%) are asset poor, meaning they have insufficient assets to keep them out of poverty for three months in the event of job loss. Over 14% of American households live in extreme asset poverty, meaning they have zero or negative net worth.

Top performers on the 2009-2010 *Scorecard*—those states that earned an overall “A” in performance measures—include Hawaii, Iowa, Kansas, Maine, Massachusetts, Minnesota, New Hampshire, Vermont, Washington and Wyoming.

For more information and to access the *Assets & Opportunity Scorecard*, visit scorecard.cfed.org.

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[CFED](http://www.cfed.org) expands economic opportunity by helping Americans and their children build assets, save for the future, start and grow businesses, pursue education and become homeowners. We identify, refine and help realize good ideas and develop partnerships to promote lasting change. We bring together community practice, public policy and private markets in new and effective ways to achieve greater economic impact. Established in 1979 as the Corporation for Enterprise Development, CFED works nationally and internationally through its offices in Washington, DC; Durham, North Carolina; and San Francisco, California.