

**For Immediate Release**

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## **North Dakota Receives “C” for Financial Stability** *Residents Financially at Risk*

WASHINGTON, DC — North Dakota residents are falling far behind the rest of the nation in health care, but have better education prospects than residents of most other states, according to a report released today by the [Corporation for Enterprise Development](http://www.cfed.org) (CFED), a national economic nonprofit. The state earned a “C” on the *2009-2010 Assets & Opportunity Scorecard*, which highlights North Dakota’s strengths, but shows just how vulnerable residents are to losing financial ground in this tough national economy.

CFED’s *Assets & Opportunity Scorecard*—online at [scorecard.cfed.org](http://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.

North Dakota continues to rank high in high school degree attainment. North Dakota ranks 4<sup>th</sup> in Head Start coverage and 8<sup>th</sup>-grade math proficiency. The state also is performing well in Housing & Homeownership, earning a “B” and ranking 1<sup>st</sup> in housing cost burden for homeowners and 2<sup>nd</sup> in rate of foreclosure. However, the state ranks 51<sup>st</sup> in homeownership by race, indicating a disturbing disparity that is echoed in its health care performance. North Dakota ranks 49<sup>th</sup> in health insurance coverage by race, 46<sup>th</sup> in health insurance coverage by income and 47<sup>th</sup> in health insurance coverage by gender. The state also ranks 42<sup>nd</sup> in health insurance offered by employer and earns an “F” overall in Health Care. In Financial Assets & Income, the state earns a “D,” ranking 46<sup>th</sup> in extreme asset poverty (defined as zero, or negative, net worth) and 42<sup>nd</sup> in average annual pay. North Dakota must improve performance in these critical areas to help its residents achieve surer financial footing.

“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 North Dakota’s policymakers have significant opportunities to support the financial well-being of their constituents. To address the low net worth and high asset poverty rates, North Dakota should ensure effective implementation and enhancements of the new appropriation for Individual Development Accounts and enact a state Earned Income Tax Credit. In addition, the state should also establish a state-supported pre-K program with high standards and adequate funding to

provide better opportunities for all children to improve poor education outcomes. Finally, to address race, gender and income disparities associated with North Dakota's uninsured, the state should expand coverage to more low-income residents and provide incentives to small business owners to insure their workers. Of the 12 policy priorities, North Dakota currently has taken action on seven of them, with two state policies rated strong or very strong by the *Scorecard*.

Paul Ronningen of the Children's Defense Fund and NDESA, a *Scorecard* state partner in North Dakota states "The scorecard offers North Dakota the opportunity to challenge conventional wisdom based on credible information. It identifies specific areas of concern about health care and economic stability for North Dakotans. These findings give us something to talk about and the North Dakota Economic Security Alliance (NDESA) has begun to promote the dialogue for taking action. The NDESA will sponsor a Summit of Organizations and Leaders November 5 & 6 in Bismarck to continue to enrich and build on that dialogue and plan of action."

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](http://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.