

**For Immediate Release**

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## Vermont Receives “A” for Financial Stability *State Upholds Perfect Record*

WASHINGTON, DC — Vermont residents are significantly better prepared to face the current national recession and their economic futures than most Americans, 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 Vermont also earning “A” grades in each individual category measured.

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.

In addition to Vermont’s across-the-board “A” grades, the state earned top 10 rankings in 20 different economic indicators, including 1<sup>st</sup>-place rankings in minority business ownership, Head Start coverage and four-year college degree attainment by race. However, there is room for the state to improve in several critical measures. Vermont ranks 49<sup>th</sup> in average annual pay, 48<sup>th</sup> in both average college debt and four-year college degree attainment by gender, and 51<sup>st</sup> in women owned business value and 43<sup>rd</sup> in minority-owned business value. By addressing these low rankings, Vermont can help ensure improved and continued economic security for its residents.

“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 Vermont’s policymakers still have significant opportunities to support the financial well-being of their constituents. To remove barriers to saving for very low-income households, Vermont should eliminate asset limits in its Temporary Assistance for Needy Families and Medicaid programs, as it has for its Supplemental Nutrition Assistance Program. Vermont should also make postsecondary education more affordable and encourage students to save by matching deposits in 529 college savings accounts. Finally, the state should invest in entrepreneurs by expanding its microloan program so that funds can also be used to deliver essential technical assistance and training to

microentrepreneurs, especially for women and minorities. Of the 12 priority policies, Vermont currently has taken action on all 12 of them, with six state policies rated strong or very strong by the *Scorecard*.

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.