



STATE OUTCOME & POLICY
REPORT
CALIFORNIA

PROSPERITY NOW
SCORECARD

California ranks 18th on the prosperity of its residents compared to the 50 states and the District of Columbia. This rank is based on states' performance on economic measures for all residents but also accounts for racial disparities in outcomes. Relative to other states, California's performance is about average for residents overall and the gap between White residents and residents of color is large but narrower than most states. These disparities, no matter how extreme, have negative implications for the prosperity of California. For example, the homeownership rate of White households is 64% compared to 44% for Latino, 59% for Asian, and 34% for Black households.

The Prosperity Now Scorecard features 28 policies that attempt to improve financial security outcomes. The Scorecard assesses whether your state has or has not adopted each of these policies. California has adopted 17 policies.

SCORECARD RANK **18**

RACIAL DISPARITY RANK **24**

OUTCOME RANK **25**

OUTCOME HIGHLIGHTS

18.8%

[state.HOC] of the California labor force of color owns a business.

\$432,951

The average business owned by a person of color in California is worth [state.HOC].

19.9%

of the California labor force own a microenterprise

21.3%

of California households experienced income volatility in the past year

POLICY HIGHLIGHTS



Does state protect against payday lending?



Has state enacted an EITC that is refundable and at least 15% of the federal credit?



Are agricultural, domestic and tipped workers covered by state's minimum wage?



Will state's minimum wage be at least \$15 by 2024 or is it indexed for inflation?

About the Prosperity Now Scorecard

The *Prosperity Now Scorecard* is a comprehensive resource featuring data on family financial health, racial economic inequality, and policy recommendations to help put all U.S. households on a path to prosperity. The Scorecard equips advocates, policymakers and practitioners with national, state, county and city data to jump-start a conversation about solutions and policies that put households on stronger financial footing across five issue areas: Financial Assets & Income, Businesses & Jobs, Homeownership & Housing, Health Care and Education.

OUTCOME MEASURES

The *Scorecard* ranks states on 52 outcome measures from best to worst: #1 is the most desirable, #51 is the least desirable. The Outcome Rank is calculated by averaging the rank all of the state's measures and demonstrates how outcomes for all residents compare to residents of other states and DC. The Outcome Rank accounts for 60% of a state's Scorecard Rank.

Financial Assets & Income

| OUTCOME MEASURE | STATE DATA | US DATA | STATE RANK |
|--------------------------------------|--------------------------|--------------------------|------------|
| Liquid Asset Poverty Rate | 38.0% | 40.0% | 16 |
| Asset Poverty Rate | 26.0% | 25.3% | 18 |
| Net Worth | \$96,510 | \$79,826 | — |
| Households with Zero Net Worth | 17.3% | 16.5% | — |
| Saved for Emergencies | 55.7% | 57.8% | 37 |
| Income Poverty Rate | 12.5% | 13.0% | 25 |
| Income Inequality | 5.2x as high for top 20% | 4.9x as high for top 20% | 43 |
| Income Volatility | 21.3% | 20.1% | 30 |
| Unbanked Households | 7.4% | 6.5% | 39 |
| Underbanked Households | 17.6% | 18.7% | 21 |
| Households with Savings Accounts | 71.9% | 71.4% | 32 |
| Consumers with Prime Credit | 54.9% | 51.9% | 25 |
| Access to Revolving Credit | 76.7% | 73.1% | 16 |
| Borrowers Over 75% Credit Card Limit | 23.9% | 25.4% | 23 |
| Severely Delinquent Borrowers | 13.0% | 14.8% | 26 |
| Consumers with Collections | 14.4% | 21.2% | 8 |
| Bankruptcy Rate | 1.7 | 2.3 | 19 |
| Fell Behind on Bills | 12.6% | 13.2% | 22 |

Businesses & Jobs

| OUTCOME MEASURE | STATE DATA | US DATA | STATE RANK |
|-------------------------------------|----------------------|----------------------|------------|
| Microenterprise Ownership Rate | 19.9% | 18.2% | 9 |
| Business Ownership by Gender | 1.1x as high for men | 1.3x as high for men | 4 |
| Business Value by Gender | 2.7x as high for men | 3x as high for men | 16 |
| Unemployment Rate | 4.2% | 4.0% | 30 |
| Underemployment Rate | 8.8% | 7.8% | 43 |
| Low-Wage Jobs | 16.7% | 22.5% | 9 |
| Average Annual Pay | \$57,567 | \$55,390 | 9 |
| Employers Offering Health Insurance | 45.9% | 46.9% | 32 |

Homeownership & Housing

| OUTCOME MEASURE | STATE DATA | US DATA | STATE RANK |
|---------------------------------------|------------------------------|--------------------------------|------------|
| Homeownership Rate | 54.8% | 63.9% | 49 |
| Affordability of Homes (value/income) | 7x higher than median income | 3.6x higher than median income | 49 |
| Housing Cost Burden - Renters | 55.2% | 49.5% | 48 |
| Housing Cost Burden - Homeowners | 38.4% | 27.5% | 50 |
| Delinquent Mortgage Loans | 0.60% | 1.30% | 9 |
| Foreclosure Rate | 0.40% | 1.05% | 6 |
| High-Cost Mortgage Loans | 7.5% | 7.6% | 35 |

Health Care

| OUTCOME MEASURE | STATE DATA | US DATA | STATE RANK |
|--------------------------------------|------------|---------|------------|
| Uninsured Rate | 8.1% | 10.2% | 21 |
| Uninsured Low-Income Children | 3.9% | 6.9% | 15 |
| Employer-Provided Insurance Coverage | 55.4% | 59.1% | 41 |
| Employee Share of Premium | 28.6% | 27.9% | 32 |
| Forgoing Doctor Visit Due to Cost | 11.8% | 13.5% | 21 |
| Poor or Fair Health Status | 17.6% | 18.4% | 25 |

Education

| OUTCOME MEASURE | STATE DATA | US DATA | STATE RANK |
|---------------------------------------|------------|----------|------------|
| Early Childhood Education Enrollment | 49.9% | 48.0% | 14 |
| Math Proficiency - 8th Grade | 29.1% | 34.3% | 38 |
| Reading Proficiency - 8th Grade | 32.2% | 36.1% | 36 |
| Four-Year College Degree | 33.6% | 32.0% | 17 |
| High School Graduation Rate | 83.0% | 84.1% | 30 |
| Disconnected Youth | 11.3% | 11.6% | 27 |
| Borrowers with Student Loan Debt | 17.5% | 21.9% | 3 |
| Median Student Loan Debt | \$16,766 | \$18,366 | 15 |
| Severely Delinquent Student Loan Debt | 13.3% | 15.2% | 17 |

For a complete description of *Scorecard* measures and sources, including how the ranks were assigned, go to <https://scorecard.prosperitynow.org>.

— Indicates that no data is available, or data is suppressed due to a margin of error that is greater than 50% of the estimate.

RACIAL OUTCOMES

The *Scorecard* disaggregates data by race for 26 outcomes. The Racial Disparity rank is calculated by averaging the gaps in outcomes for White residents and residents of color for each measure. This average disparity is then ranked against the other states and DC. A Racial Disparity Rank of 51 means that the disparity is the largest compared to all states and DC. A lower rank indicates that the disparity is narrower than in other parts of the country, but even in these states, racial economic inequality remains problematic for the state's overall economic prosperity and resilience. The Racial Disparity rank accounts for 40% of a state's Scorecard rank.

Financial Assets & Income

| OUTCOME MEASURE | WHITE, NH* | PEOPLE OF COLOR | BLACK | AMERICAN INDIAN | ASIAN | NHPI** | LATINO |
|----------------------------------|---------------|--------------------|-------|--------------------|-----------|--------|--------|
| Asset Poverty Rate | 17.9% | 33.8% | 49.2% | — | 21.3% | — | — |
| Fell Behind on Bills | 8.6% | 16.0% | 25.9% | — | 6.5% | — | — |
| Households with Savings Accounts | 81.1% | 63.8% | 57.7% | — | 73.8% | — | — |
| Households with Zero Net Worth | 13.7% | 20.7% | 40.7% | — | 12.7% | — | — |
| Income Poverty Rate | 8.8% | 15.8% | 19.9% | 19.0% | 11.6% | 17.6% | — |
| Income Volatility | 21.2% | 21.5% | 19.0% | — | 13.9% | — | — |
| Liquid Asset Poverty Rate | 25.9% | 49.6% | 54.1% | — | 29.7% | — | — |
| Net Worth | \$230,600 | \$38,349 | — | — | \$181,600 | — | — |
| Saved for Emergencies | 63.9% | 48.3% | 42.5% | — | 46.4% | — | — |
| Unbanked Households | 2.6% | 11.7% | 20.5% | — | 1.9% | — | — |
| Underbanked Households | 12.9% | 21.8% | 25.4% | — | 11.5% | — | — |

Businesses & Jobs

| | | | | | | | |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|---|
| Business Ownership | 24.0% | 15.7% | 18.3% | 29.5% | 24.9% | 5.0% | — |
| Business Value | \$709,657 | \$236,821 | \$108,087 | \$108,796 | \$430,401 | \$145,880 | — |
| Unemployment Rate | 3.3% | 5.0% | 8.2% | — | 3.2% | — | — |

Homeownership & Housing

| | | | | | | | |
|----------------------------------|-------|-------|-------|-------|-------|-------|---|
| Affordability of Homes | 6.09 | — | 10.49 | 9.71 | 5.56 | 7.07 | — |
| Homeownership Rate | 63.5% | 45.5% | 34.0% | 49.5% | 58.9% | 46.3% | — |
| Housing Cost Burden - Homeowners | 36.1% | 41.7% | 45.7% | 41.5% | 39.7% | 42.8% | — |
| Housing Cost Burden - Renters | 51.8% | 58.1% | 64.4% | 62.0% | 49.8% | 54.1% | — |

Health Care

| | | | | | | | |
|-----------------------------------|-------|-------|-------|-------|-------|------|---|
| Forgoing Doctor Visit Due to Cost | 9.0% | — | 14.7% | — | 7.1% | — | — |
| Poor or Fair Health Status | 12.0% | — | 21.0% | — | 11.0% | — | — |
| Uninsured Rate | 4.9% | 10.5% | 6.4% | 12.2% | 5.2% | 6.4% | — |

Education

| | | | | | | | |
|---------------------------------|-------|-------|-------|-------|-------|-------|---|
| Disconnected Youth | 9.3% | 12.1% | 18.3% | 15.8% | 6.7% | 9.5% | — |
| Four-Year College Degree | 43.9% | 23.1% | 25.6% | 13.7% | 52.5% | 20.8% | — |
| High School Graduation Rate | 88.0% | — | 73.0% | 74.0% | 93.0% | 82.0% | — |
| Math Proficiency - 8th Grade | 44.1% | — | 9.9% | — | 64.7% | — | — |
| Reading Proficiency - 8th Grade | 50.3% | — | 18.4% | — | 56.4% | — | — |

* White, Non-Hispanic ** Native Hawaiian or Other Pacific Islander

POLICY MEASURES

The *Scorecard* includes 28 policies organized into 18 groups. States are assessed based on whether they have adopted each policy; a ✓ indicates the state has adopted the policy; a ✗ indicates the state has not. Policy adoption is assessed on policies enacted during calendar year 2018.

Financial Assets & Income

8 OF 13 POLICIES ADOPTED

| | | |
|---|---|--|
| Debt Collection Protections | ✗ | Does state adequately protect consumers' assets from debt collection? |
| | ✓ | Does state adequately protect consumers from abusive debt-buying practices? |
| Predatory Small-Dollar Lending Protections | ✗ | Does state protect against payday lending? |
| | ✓ | Does state protect against car-title lending? |
| | ✗ | Does state protect against high-cost installment loans? |
| Retirement Security | ✓ | Has state enacted an Automatic-Enrollment Individual Retirement Account program? |
| Savings Penalties in Public Benefit Programs | ✗ | Has state eliminated TANF asset test? |
| | ✓ | Has state eliminated SNAP asset test? |
| | ✓ | Has state eliminated LIHEAP asset test? |
| State EITCs | ✓ | Has state enacted an EITC that is refundable and at least 15% of the federal credit? |
| Tax Fairness | ✓ | Does state have a progressive effective tax rate ? |
| Tax Prep Regulations | ✓ | Does state regulate paid tax preparers? |
| Individual Development Accounts | ✗ | Does state provide funding for IDAs? |

Businesses & Jobs

4 OF 4 POLICIES ADOPTED

| | | |
|---------------------|---|--|
| Minimum Wage | ✓ | Will state's minimum wage be at least \$15 by 2024 or is it indexed for inflation? |
| | ✓ | Are agricultural, domestic and tipped workers covered by state's minimum wage? |
| Paid Leave | ✓ | Does state require employers to offer paid medical, family or sick leave? |
| | ✓ | Does state expand FMLA to cover more workers? |

Homeownership & Housing

2 OF 7 POLICIES ADOPTED

| | | |
|---|---|---|
| First-Time Homebuyer Assistance | ✓ | Does state provide downpayment assistance through grants, second mortgages or resources financed with premium bonds? |
| | ✗ | Does state offer direct lending programs to first-time homebuyers? |
| | ✗ | Does state fund homeownership counseling? |
| Property Tax Relief | ✗ | Does the state provide property tax relief via a well-targeted circuit breaker? |
| Protection from Discrimination for Low-Income Renters | ✗ | Does state protect Section 8 voucher-holders from discrimination in the housing market? |
| Resident Ownership, Titling and Zoning of Manufactured Homes | ✗ | Does state encourage resident ownership of manufactured home communities via an effective pre-sale notice, tax incentive or both? |
| | ✓ | Does state's titling or zoning laws treat manufactured homes the same as site-built homes? |

Health Care

1 OF 1 POLICIES ADOPTED

| | | |
|---------------------------|---|--|
| Medicaid Expansion | ✓ | Has state expanded Medicaid to at least 138% or more of federal poverty level? |
|---------------------------|---|--|

Education

2 OF 3 POLICIES ADOPTED

| | | |
|---|---|--|
| Children's Savings Accounts | ✗ | Does state offer a universal, automatic CSA program with an incentive? |
| In-State Tuition for Undocumented Students | ✓ | Does state extend in-state tuition to undocumented students? |
| Targeted Financial Aid for Postsecondary Education | ✓ | Is state financial aid targeted to high-need students? |

CALIFORNIA

DEMOGRAPHICS



POPULATION
39,536,653



HOUSEHOLDS
13,005,097

HOUSEHOLD INCOME QUINTILES

| | |
|------------------|-----------------------|
| Lowest Quintile | \$0 to \$28,576 |
| 2nd Quintile | \$28,577 to \$55,762 |
| 3rd Quintile | \$55,763 to \$90,812 |
| 4th Quintile | \$90,813 to \$147,523 |
| Highest Quintile | Over \$147,523 |

MEDIAN HOUSEHOLD INCOME **\$71,805**

| | |
|-------------|----------|
| White | \$83,682 |
| Black | \$48,559 |
| Asian | \$91,622 |
| Latino | \$56,151 |
| Native | \$52,436 |
| NHPI | \$72,101 |
| Two or More | \$73,189 |
| Other | \$53,793 |

RACE AND ETHNICITY (% OF POPULATION)

| | |
|-------------|-------|
| White | 37.0% |
| Black | 5.0% |
| Asian | 14.0% |
| Latino | 39.0% |
| Native | n/a |
| NHPI | n/a |
| Two or More | 3.0% |
| Other | n/a |

AGE (% OF THE POPULATION)

| | |
|-------------|-------|
| Under 18 | 23.0% |
| 18 to 24 | 10.0% |
| 25 to 44 | 28.0% |
| 45 to 64 | 25.0% |
| 65 and Over | 14.0% |

PEOPLE WITH A DISABILITY **11.0%**

PROSPERITY NOW COMMUNITY

Prosperity Now is committed to continuing our support of and partnerships with our movement of committed advocates and practitioners seeking to create a clear path to financial stability, wealth and prosperity. The Prosperity Now Community expands our reach, creates strong connections between those in our community and mobilizes advocates to create lasting social change.

The Prosperity Now Community facilitates learning, creates connections and inspires action to create and improve programs and policies that foster opportunity, especially for those who have not had it before. Our unwavering commitment to creating prosperity includes efforts on a wide range of issues, such as consumer protections, equity in the tax code, increasing affordable housing and removing barriers to saving and building wealth.

To Join the Community, visit prosperitynow.org/get-involved

COMMUNITY CHAMPIONS IN CALIFORNIA

Alameda County Community Asset Network — Oakland, CA

California Asset Building Coalition — San Francisco, CA

Capital Region Prosperity Network — Sacramento, CA

Mission Asset Fund — San Francisco, CA

ABOUT PROSPERITY NOW



Prosperity Now (formerly CFED) believes that everyone deserves a chance to prosper. Since 1979, we have helped make it possible for millions of people, especially people of color and those of limited incomes, to achieve financial security, stability and, ultimately, prosperity. We offer a unique combination of scalable practical solutions, in-depth research and proven policy solutions, all aimed at building wealth for those who need it most.