



Building and Preserving Income and Assets within Diverse Communities in California

Webinar

June 20, 2012

10:30 a.m.-Noon



Jenny Chung Mejia

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Today's Webinar

GOALS

- **Spotlight** examples of successful synergy and collaboration among income and asset building and preservation efforts in California.
- **Identify** future opportunities for collaboration among income and asset building and preservation efforts in California.
- **Demonstrate** the importance and value of bringing a race, gender, and age lens to this work.



Sandra Murillo-Brucker
Master Trainer & Business Consultant
Women's Initiative for Self Employment



Paul Leonard
California Director
Center for Responsible Lending



Sheryl Lane
Director of Public Policy
EARN





Sandra Murillo-Brucker

Master Trainer & Business Consultant

Women's Initiative for Self Employment



SMurillo@womensinitiative.org
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- Sandra has brought her experience as a small business owner to Women's Initiative for 12 years.
- A graduate from Women's Initiative's ALAS Program (Alternativas para Latinas en Autosuficiencia), Sandra started her own insurance agency, MUR Insurance Services, in 1999.
- Sandra has a breadth of experience in sales, prospecting, customer relations, training and presentations, marketing, financial planning and loans.
- She is fluent in Spanish, has B.A. degrees in industrial psychology and teaching, and is a licensed insurance broker in the State of California.



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Paul Leonard

California Director

Center for Responsible Lending

- Paul opened the California office of the Center for Responsible Lending (CRL) in spring 2006 and directs state policy and outreach efforts.
- Prior to joining CRL, Paul was a public policy consultant focused on housing and community development, welfare reform, and other anti-poverty issues.
- Prior to 1999, Paul was a political appointee at the U.S. Department of Housing and Urban Development, serving as Acting Assistant Secretary for Policy Development and Research, as well as Deputy Assistant Secretary for Policy Development from 1994 to 1998.



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Sheryl Lane

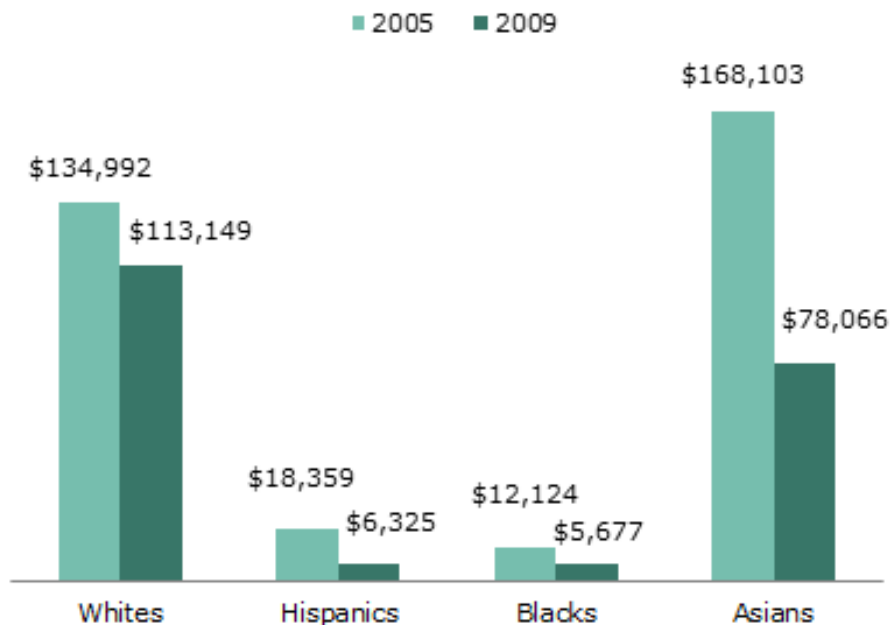
Director of Public Policy
EARN

- At EARN, Sheryl works with a team that champions national, state, and local asset-building policies that open the door to financial success to low-wage workers.
- Prior to joining EARN, she was the Director and Campaign Coordinator for the Richmond Equitable Development Initiative (REDI) at Urban Habitat.
- Prior to her work at Urban Habitat, Sheryl was a Community Relations and Policy Analyst on the staff of Mayor Ron Gonzales in San Jose.
- Sheryl holds a Master's of Science in Urban Policy and Management and two B.A.s, one in Sociology and another in Psychology & Social Behavior.

The Racial Wealth Gap

Median Net Worth of Households, 2005 and 2009

in 2009 dollars



Source: Pew Research Center tabulations of Survey of Income and Program Participation data from the 2004 and 2008 panels


PEW RESEARCH CENTER

In 2009, the median white family had **20 times** the net worth of the median Black family and **18 times** the net worth of the median Latino family.

In California, 17:1

In 2009, the median white family had over **17 times** the net worth of the median family of color in California.

Net Worth by Race

State	Median Net Worth, White Households (\$)	Median Net Worth, Households of Color (\$)	Ratio
United States 	\$112,647	\$8,803	12.8
Alabama	\$80,000	—	—
Alaska	—	—	—
Arizona	\$92,237	—	—
Arkansas	\$88,700 *	—	—
California	\$156,794	\$9,126 *	17.2

Closing the Racial Wealth Gap Initiative



Anne Price, Director



Anand Subramanian,
Program Manager

- ✓ Educating the media and policymakers
- ✓ Injecting the voice of experts of color
- ✓ Producing groundbreaking research
- ✓ Providing policy recommendations

Connect with the CRWG Initiative



Anne Price, Director



Anand Subramanian,
Program Manager



RacialWealthGap.org



ExpertsOfColor.org



[@racialwealthgap](https://twitter.com/racialwealthgap)



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WOMEN'S INITIATIVE

**Empowering woman to build assets and
achieve prosperity.**

Sandra Murillo-Brucker

Master Business Trainer and Consultant

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OUR MISSION

To build the entrepreneurial capacity of low-income women to overcome social and economic barriers and achieve self-sufficiency.

ABOUT US

- ⦿ Private, nonprofit organization
- ⦿ Founded in 1988
- ⦿ Have served over 22,000 women
- ⦿ Currently serve the San Francisco Bay Area
 - 5 offices, 18 satellite locations
 - Expanding to Chicago and New York



OUR PROGRAMS



Train



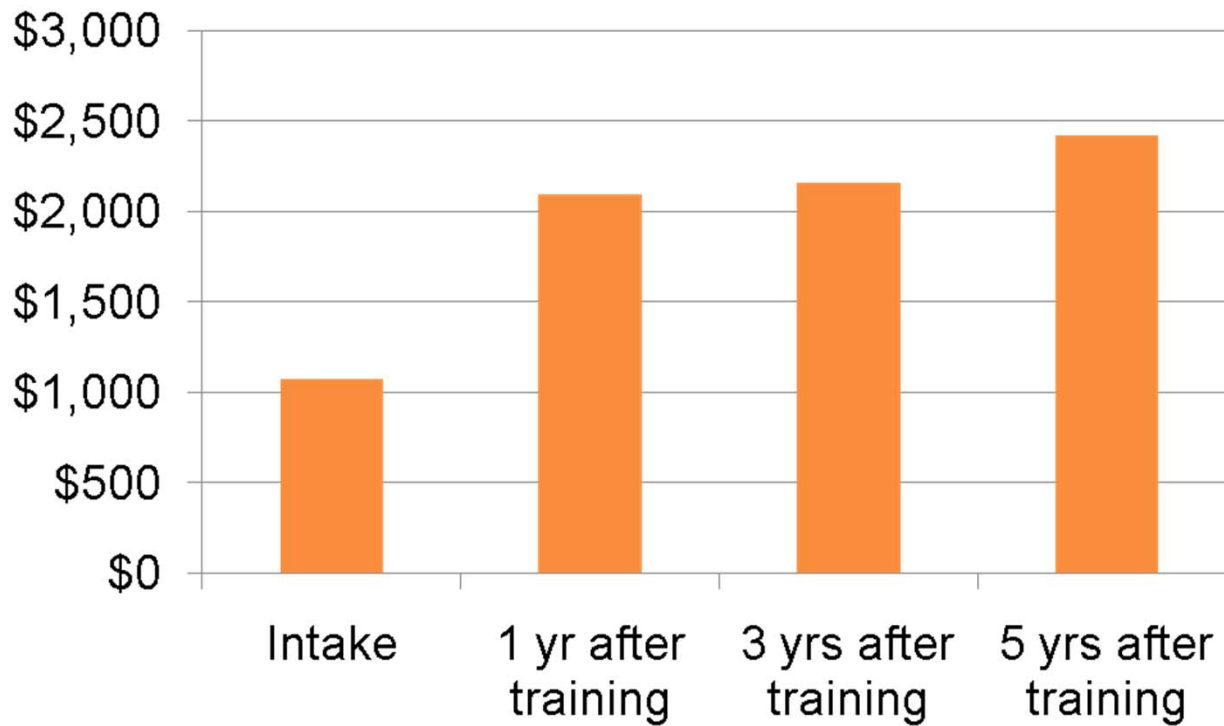
Fund



Support

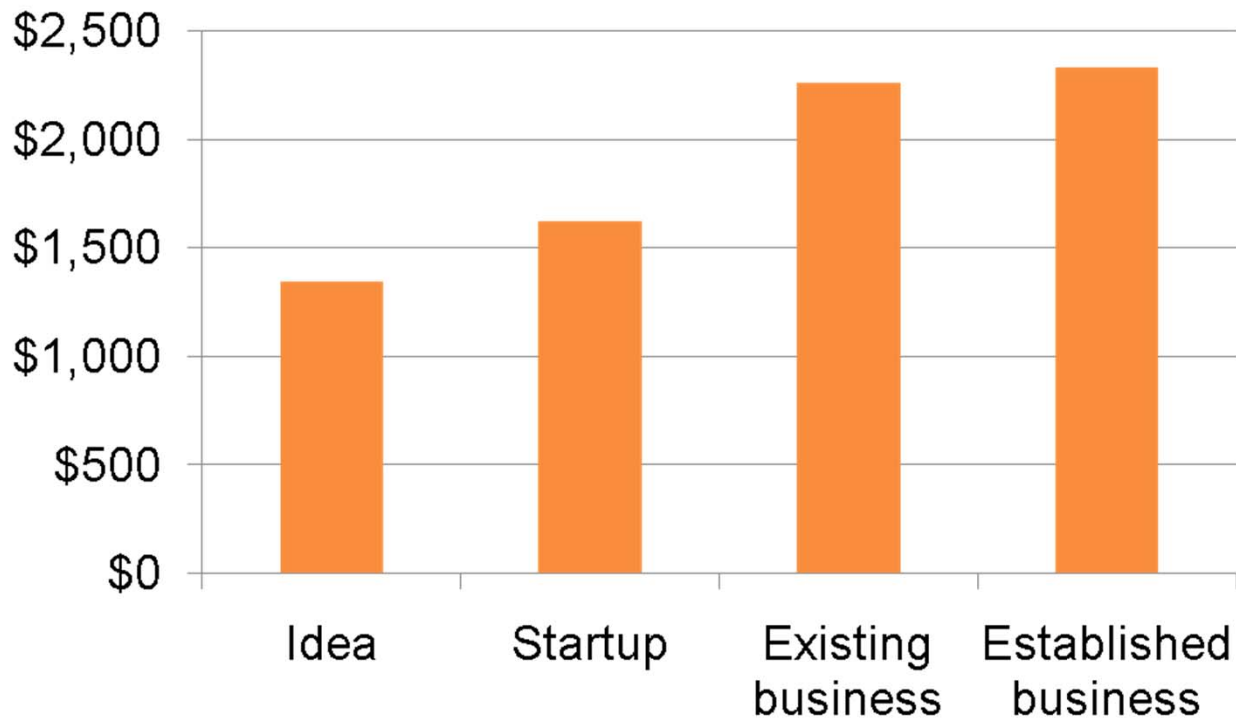
INCREASING INCOME AFTER TRAINING

Mean Individual Monthly Income



BUSINESS DEVELOPMENT AND INCOME

Mean Individual Monthly Income



- ◉ Low-income Latinas are more likely to experience high rates of inactivity in business compared with other members of the population in USA.
- ◉ Language barriers
- ◉ Low education
- ◉ Lack of knowledge of technology
- ◉ Isolation from family and friends
- ◉ Lack of start up capital
- ◉ No income or working for low income wage
- ◉ Domestic violence
- ◉ Disability

OUR CLIENTS

The Crayon Box Preschool



women's initiative

El Huarache Loco




women'sinitiative



Yaquesita's Nails Studio



Mexevents.com



mexevents.com

Add a Latin touch to your party!



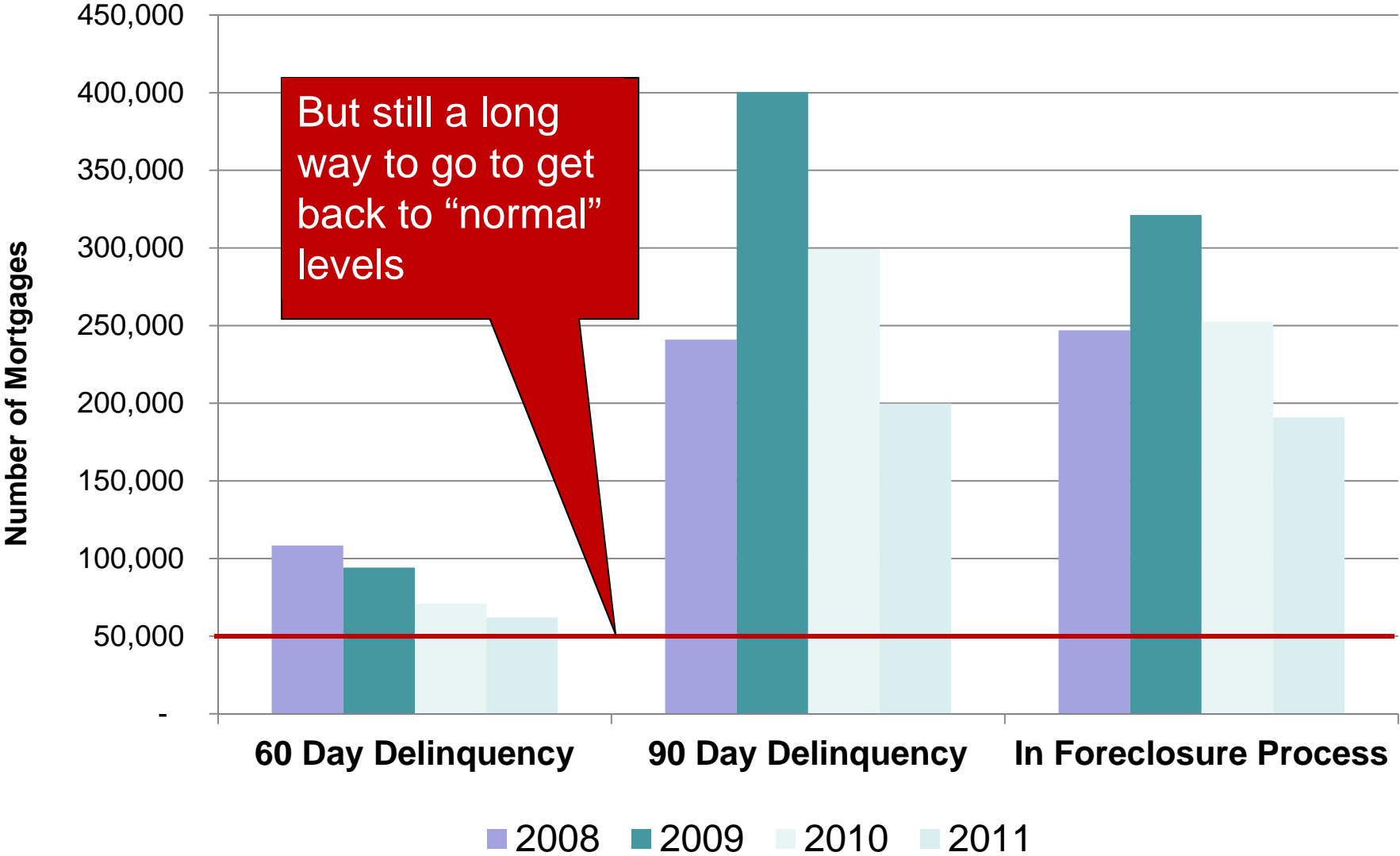


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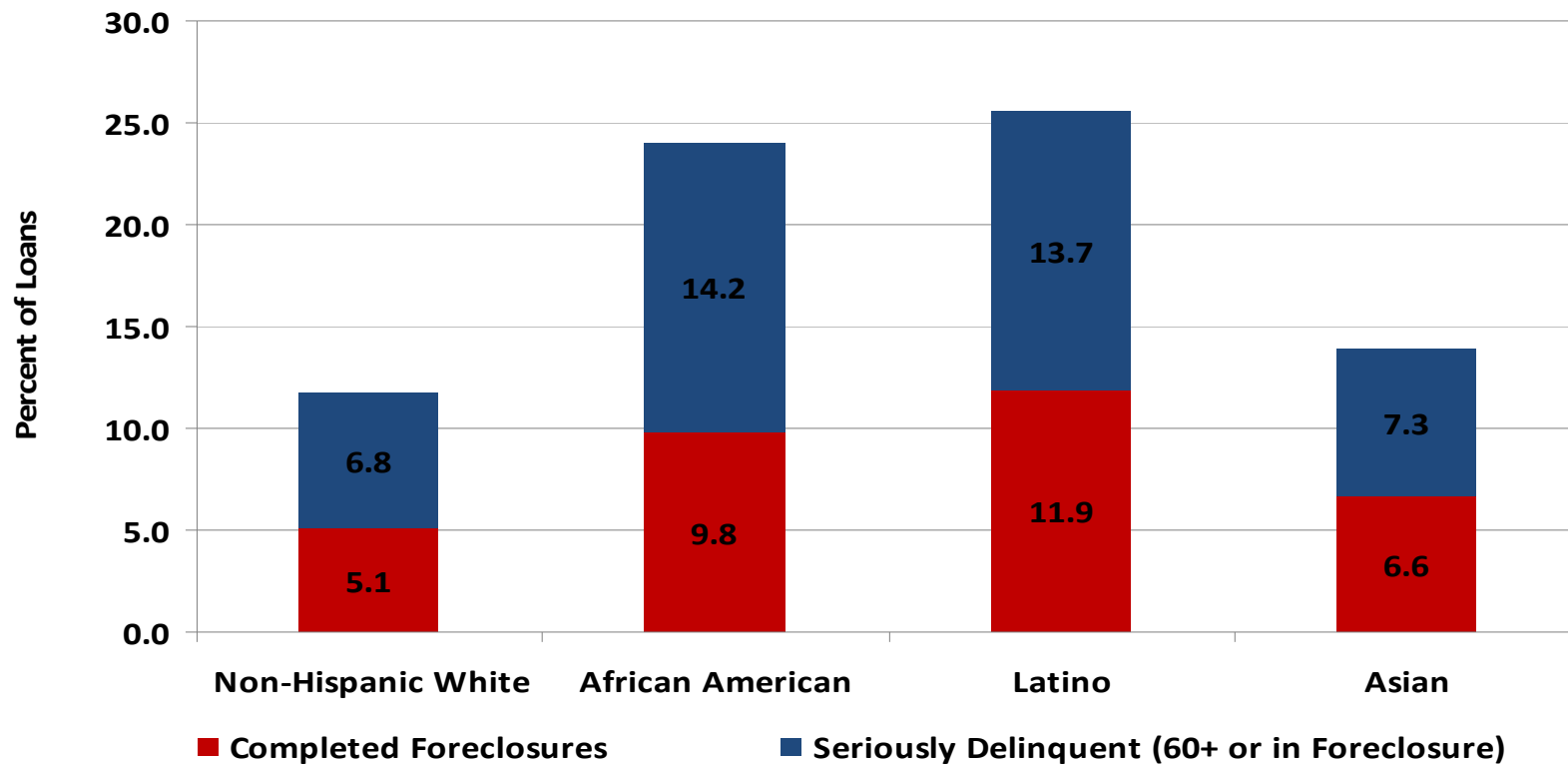
**Paul Leonard
California Director**

California Delinquencies and Foreclosures Falling



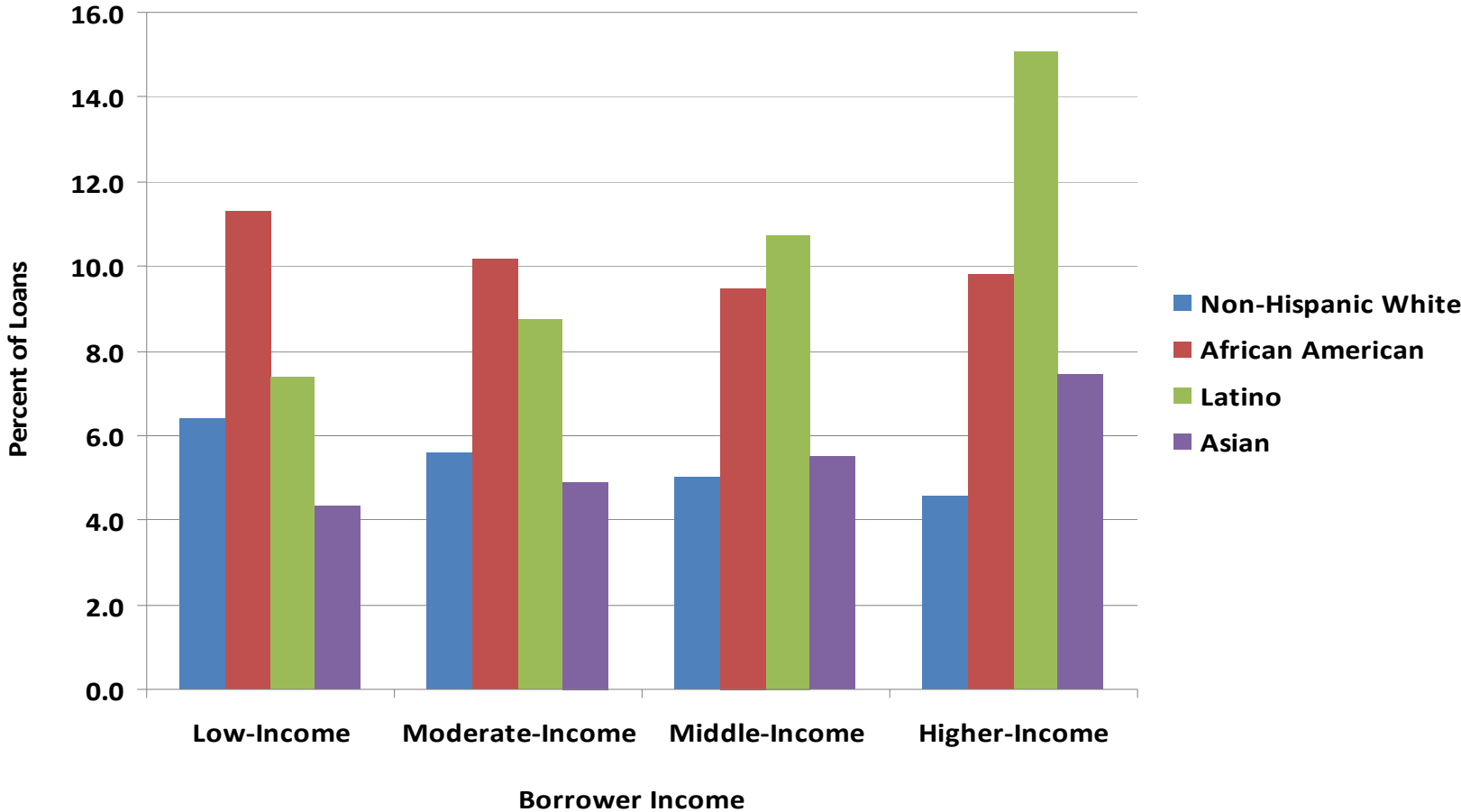
Source: Mortgage Bankers Association, National Delinquency Survey, Data from 4th Quarter of Calendar Year

Foreclosure Crisis Falls Disproportionately on Minorities



Source: Center for Responsible Lending, Lost Ground 2011. Data through February 2001, based on 2004-2008 originations.

Minority Foreclosure Elevated at All Income Levels

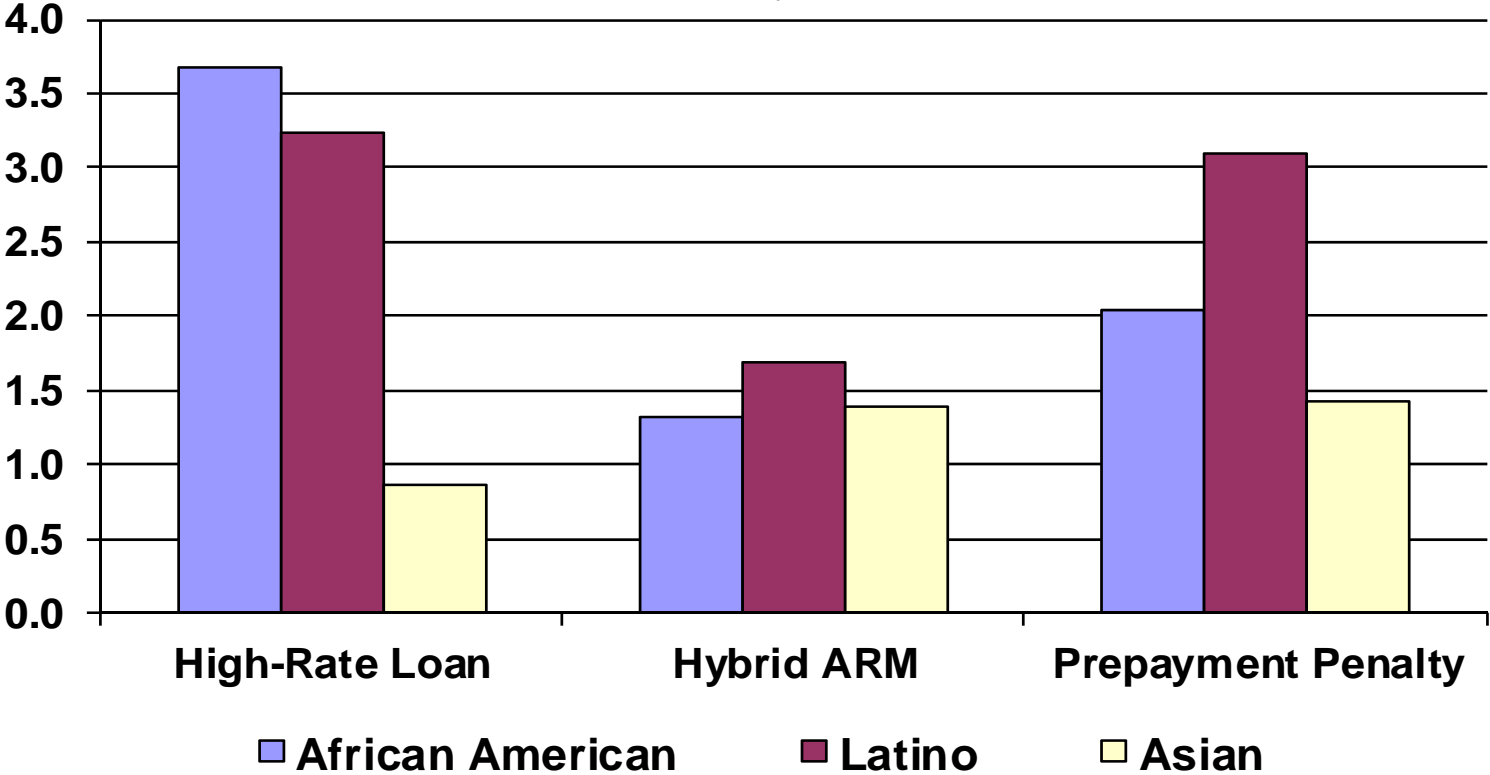


Source: Center for Responsible Lending, Lost Ground 2011. Data through February 2001, based on 2004-2008 originations.

Minorities Targeted for Risky Loans



Increased incidence of loans with risky features, above Non-Hispanic Whites

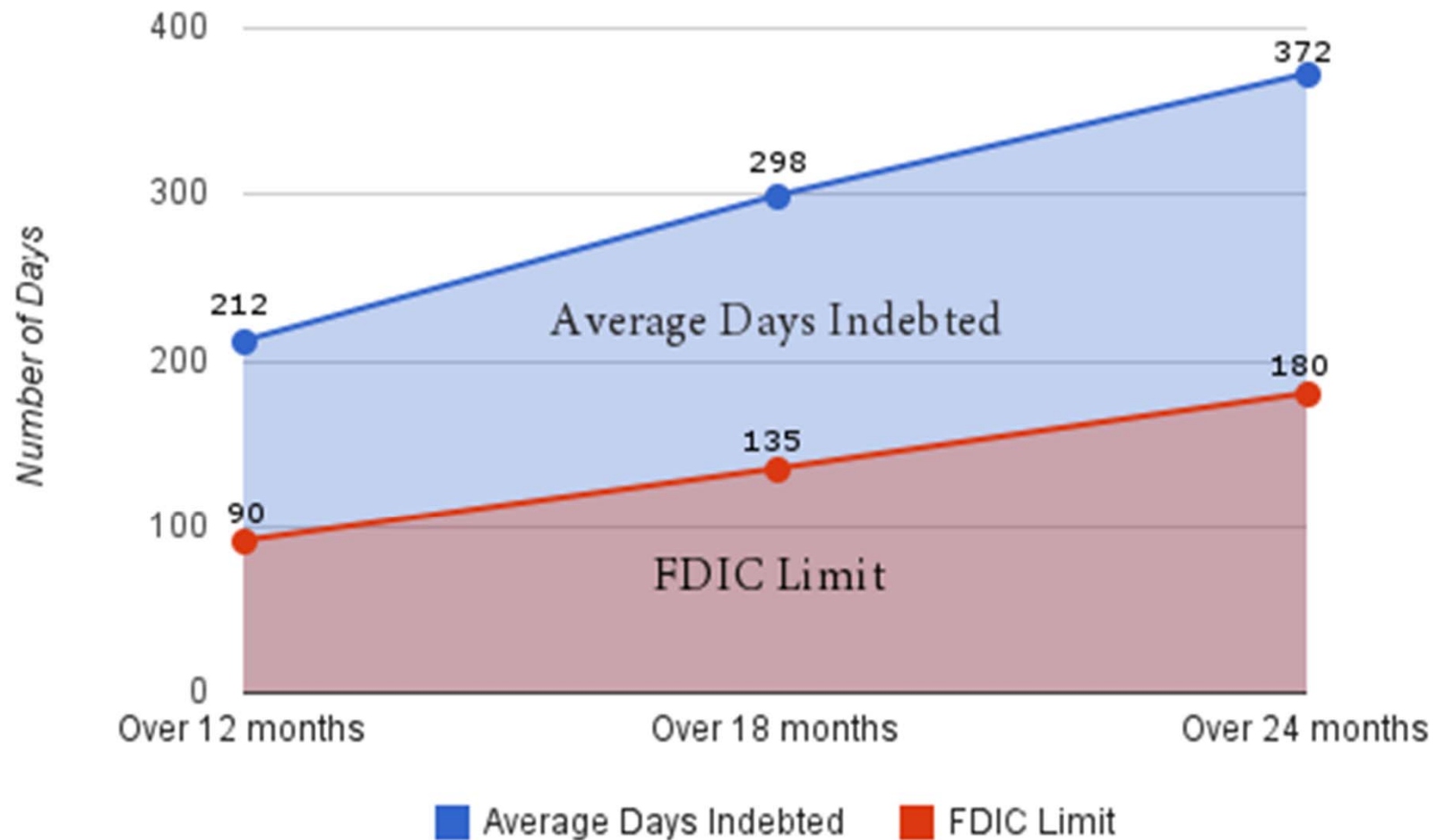


Source: Center for Responsible Lending, Lost Ground 2011. Data through February 2011, based on 2004-2008 originations.

Homeowners Bill of Rights

- Prohibit Dual Tracking
- Evidence to Foreclose
- Single Point of Contact
- Prohibit Robo-signing or false documents
- Strong Enforcement

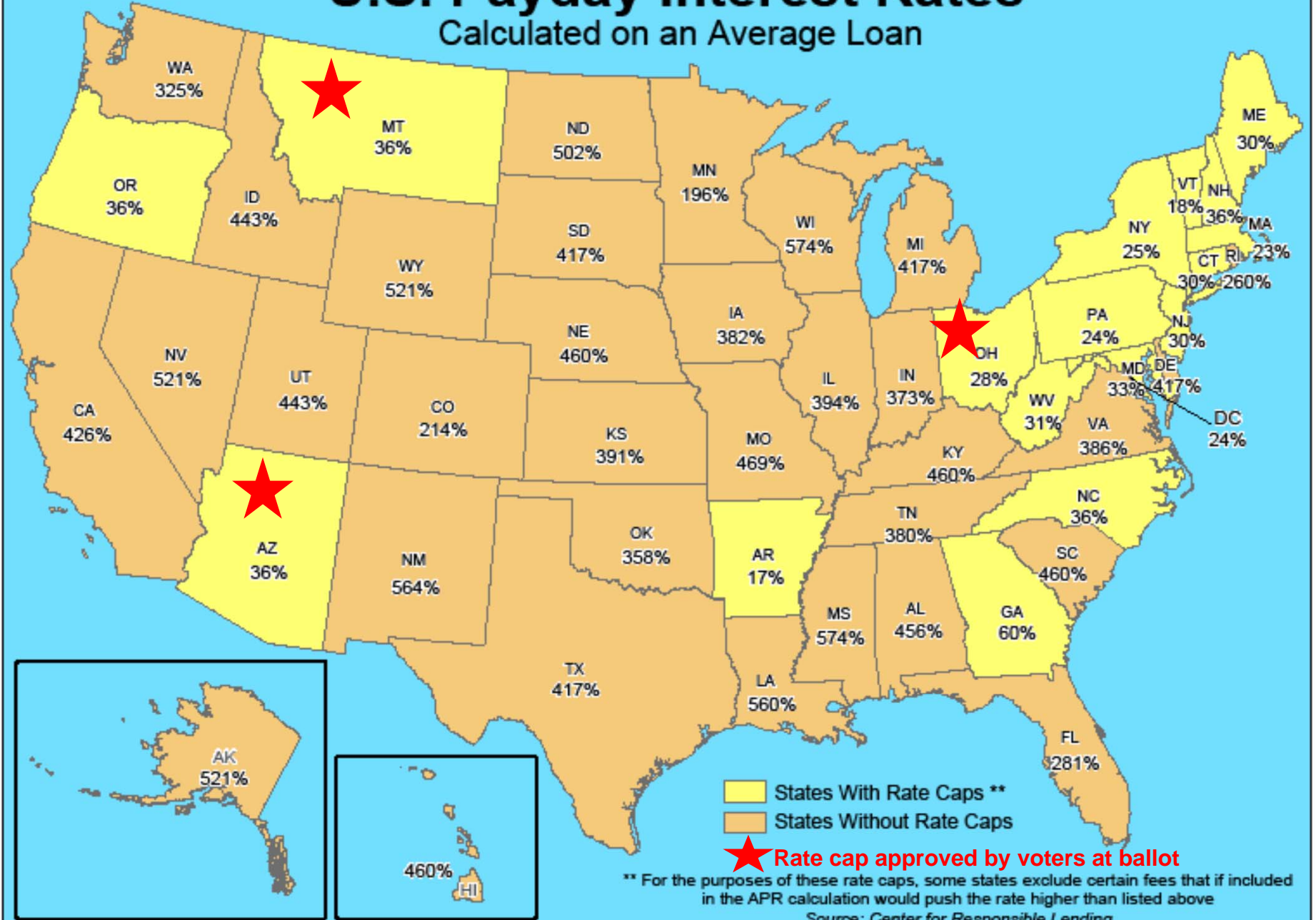
Typical Payday Borrower Indebted More than 200 Days



Source: "Payday Loans, Inc.," Center for Responsible Lending (2011)

U.S. Payday Interest Rates

Calculated on an Average Loan



States With Rate Caps **

States Without Rate Caps

★ Rate cap approved by voters at ballot

** For the purposes of these rate caps, some states exclude certain fees that if included in the APR calculation would push the rate higher than listed above

Source: Center for Responsible Lending

California Listening Session Partner Organizations



Research Partner:
Howard University Center on Race and Wealth





Quick Facts about California Listening Sessions

- The purpose of the listening sessions was to hear directly from Californians about their experiences, challenges, and opportunities in attaining and holding onto financial assets that build wealth and support financial security
- California's listening session project consisted of nearly **1,000** people who attended **70** sessions in **22** cities throughout the state
- In addition to attending the listening sessions, nearly **80 percent** of participants completed a survey



What We Heard From Participants

Access to assets and wealth building provides low-wage workers and low-income families the opportunity to make their dreams for financial security and stability a reality.

Participant goals for themselves and their families included:

- Postsecondary education for self or help send children to college
- Homeownership and/or owning real estate property
- Debt free
- Helping family members financially
- Attending or enrolling kids in high quality schools
- Owning and growing small business
- Buying a car
- Purchasing insurance (e.g. life insurance, health insurance, dental insurance, auto insurance)



Where Do We Go From Here

- Develop a policy agenda informed by the statewide listening sessions and focused on – Access to Quality Financial Products and Services and Access to Higher Education
- Continue to organize, mobilize and directly engage low-wage workers and low-income families in California to influence savings and asset building public policy, practices and political decision making in California
- Connect listening session participants to financial resources in their local communities



What's Worked & What's Next? Income & Asset Building and Preservation

What are examples of successful alliances you have been a part of that brought income and asset building and preservation efforts together and what made it successful?

What opportunities do you see for income and asset building and preservation efforts to align and work together? And, why do you think this type of partnership is important?

Uniting the Field Project



- breaking silos within the economic security field
- forming a diverse national network to work towards greater alignment in the field around closing income and asset disparities, applying a race lens, AND build public will for inclusive practices and policies to move millions more toward economic security

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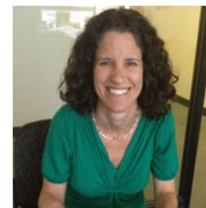
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