

# Ohio CASH

(Creating Assets, Savings & Hope)

## What is Policy Matters?

Policy Matters Ohio is a non-profit, nonpartisan policy research organization founded in January 2000 to broaden the debate about economic policy in Ohio. Our mission is to create a more prosperous, equitable, sustainable and inclusive Ohio, through research, media work and policy advocacy.

## What are assets?

- Income
- Savings
- Benefits/assistance
- Tax credits and deductions
- Education
- Affordable rental housing
- Housing/home equity
- Long-term savings, stocks, or bonds
- Access to safe and sound financial services

**Assets move families beyond living paycheck to paycheck and give them tools to plan for the future. Getting by may require only a paycheck, but getting ahead requires a variety of assets, a financial safety net, education and health care.**

## Why assets?

- Assets matter economically, socially and psychologically
- Asset-poverty rates and wealth gaps are **worse** than income poverty and distribution
- Assets help to increase:
  - Household economic stability
  - Educational attainment
  - Economic mobility
  - **Community stability**
- Large-scale, inclusive asset building practices & policies must be established and funded to reverse income and wealth inequalities

## Why assets?

***Assets matter, but their distribution is highly unequal.***

- More than one-fifth of the population is “asset-poor.” These are people who **do not own enough to survive three months at the poverty line if they lose employment**; one in three households with children live in asset poverty
- About 51 percent of Americans do not have access to \$2,000 in an emergency
- 14 percent of all households and 24 percent of minority households live in extreme asset poverty – meaning that they have zero or negative net worth
- Programs to establish assets help reduce that inequality
- For many, tax time is the largest paycheck all year
  - A good time to think about money is when you are about to get a lot of it
  - Even saving 25 percent of a tax refund can make a big difference

## Why action ow?

- More than 25 percent of Ohioans are unbanked or underbanked.
- At least one in six Ohio families cannot afford adequate food.
- Roughly 20 percent of Ohio families do not claim the EITC, with an average tax refund of \$2,000.
- The poorest of the poor (our clients) are losing hope and patience with the financial system.
- Resources are spread thin to provide service.
- **There is limited space for: duplication, starting from scratch, and inaction.**

# What is Ohio CASH?

Ohio CASH stands for Creating Assets, Savings and Hope, and is a project of Policy Matters. We provides a collaborative hub for asset building, income security, and consumer protection research and outreach. The overall goal of Ohio CASH is to improve the financial and economic conditions for low- and moderate-income families and communities. Only by building assets can we end the cycle of poverty.

Members of Ohio CASH are a wide array of groups including social service organizations, housing counseling groups, faith-based organizations, free tax preparation coalitions, financial institutions, and other coalitions. In a sense, it is a coalition of coalitions.

## Ohio CASH programming

- Research and Evaluation
- Capacity building and training
- Public policy advocacy
- General awareness of financial and consumer issues



## Foreclosure research

- Annual Ohio foreclosure report showed that in 2011:
  - There were 16 percent fewer foreclosure filings than in 2010
  - 8 percent of Ohio mortgages were 90 days past due or in foreclosure
  - More than 30 percent of all Ohio mortgages were “underwater”

## Earned Income Tax Credit evaluation

- Franklin County EITC Coalition quick facts
  - In 2010-2011:
    - Filed 2,327 tax returns with EITC claims at no cost
    - Average fee-based preparer charges \$300
    - Claims brought in more than \$3.3 million to community
    - Survey found that most clients were African-American women

## Capacity building

- Webinars
  - Purchasing Savings Bonds at Tax Time
  - Tax Challenges of Domestic Violence Survivors
  - Understanding the Asset building Continuum
- Financial Stability Toolkits
  - Client
  - Direct service provider

## Public policy advocacy

- HB 275 (passed and signed into law)
  - Erodes the Consumer Protection Sales Act
- SB 251 (in committee)
  - Excludes for-profit debt settlement industry from Ohio Debtors Act
- Ohio EITC
  - Creates an Ohio refundable tax credit for working families based on a percentage of the Federal EITC

## Where have we been successful?

- Programs
  - Funding for SAVE Now
  - Funding for the VITA program
- Policies
  - Regulating paid tax preparers
  - Reducing price and availability of tax and payday loans
  - Sustaining Recovery Act levels for the EITC/CTC
- Consumer Financial Protection Bureau

Join us!

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Contact Kalitha Williams to find out how your organization can **GET ENGAGED!**

# Contact Us!

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