

# STATE RATINGS: DELAWARE



expanding economic opportunity

## 2007-2008 ASSETS & OPPORTUNITY SCORECARD













### OVERVIEW

The asset picture in Delaware is one of strengths tempered by trouble spots, earning an overall B grade on the 2007-2008 *Assets and Opportunity Scorecard*. With high net worth (ranked 6<sup>th</sup> among the states), the fewest residents with zero or negative net worth (1<sup>st</sup>) and the fewest in asset poverty (1<sup>st</sup>), the state's environment for building assets is hospitable. Many Delawareans enjoy homeownership (6<sup>th</sup>), though homeownership by whites (79%) far outstrips that of minorities (51%). Employer-sponsored health insurance (7<sup>th</sup>), an important benefit that protects household income and assets, is prevalent. However, these laudable aspects are offset by high debt (44<sup>th</sup> in median credit card debt, 46<sup>th</sup> in median installment debt, and 34<sup>th</sup> in median mortgage debt), suggesting that many residents are unable to make ends meet. Business Development (the state earned an F grade in this category) is the state's Achilles heel. With low rates of business ownership by women (44<sup>th</sup>), African-Americans (38<sup>th</sup>), and Hispanics (44<sup>th</sup>), Delaware is missing out on important sources of economic growth.

### WHAT DELAWARE CAN DO

By supporting microenterprise (businesses that employ five or fewer workers) and community development lenders, Delaware can foster entrepreneurship among its residents. Delaware can address high levels of debt by implementing policies to curb predatory lending practices. Although Delaware currently has a state EITC, it could strengthen its EITC policy by making it refundable and providing a bonus for EITC funds deposited into a savings or investment account. The state has eliminated asset limits for family Medicaid and has used categorical eligibility to expand access to Food Stamps; however, Delaware should consider eliminating its TANF asset limit, which serves as a disincentive to save for low-income families. Policy changes such as these would help create a more positive asset environment.

### CORE POLICY RATINGS

-  Asset Limits in Public Benefit Programs
-  Housing Trust Fund
-  Incentives for College Savings
-  Microenterprise Support\*
-  Curbing Predatory Lending
-  Expanded Coverage for Medicaid and SCHIP
-  State Earned Income Tax Credit
-  School Spending Fairness\*
-  Support for Community Development Lenders\*
-  State Supported Preschool\*\*\*
-  Support for IDA Programs
-  Tax Expenditure Report\*\*

-  Very strong policy
-  Strong policy, but some room for improvement
-  Some policy, but much room for improvement
-  Minimal policy in place
-  No policy in place

For a complete description of all 2007-2008 *Assets & Opportunity Scorecard* measures, including the 12 policies that the Scorecard highlights, information on 26 other asset policies and 46 outcome measures, and how the ratings and rankings were computed, please go to [www.cfed.org/go/scorecard](http://www.cfed.org/go/scorecard).

- \* Maximum possible rating is 50%
- \*\* Maximum possible rating is 25%
- \*\*\* Maximum possible rating is 75%

**DELAWARE**

**OVERALL OUTCOME GRADE: B**

**FINANCIAL SECURITY**

**OUTCOME GRADE: B**

**OUTCOME MEASURE ..... RANKING**  
 (among the 50 states plus DC)

Net Worth of Households .....	6
Asset Poverty .....	1
Asset Poverty by Race .....	n/a
Asset Poverty by Gender .....	n/a
Household Asset Equality by Race .....	n/a
Household Asset Equality by Gender .....	n/a
Households with Zero or Negative Net Worth .....	1

Banked: Households with Non-Interest-bearing Accounts .....	7
Banked: Households with Interest-bearing Accounts .....	39
Bankruptcy Rates .....	13
Subprime Loans .....	23
Median Credit Card Debt .....	44
Median Installment Debt .....	46

**BUSINESS DEVELOPMENT**

**OUTCOME GRADE: F**

Small Business Ownership .....	35
Private Loans to Small Businesses .....	26
Microenterprise Ownership .....	32
Women's Business Ownership Rate .....	44
African-American Business Ownership Rate .....	38
Hispanic Business Ownership Rate .....	44
American Indian-Native Alaskan Business Ownership Rate .....	n/a
Asian Business Ownership Rate .....	18

Hawaiian-Pacific Islander Business Ownership Rate .....	29
Women Owned Business Value .....	31
African-American Owned Business Value .....	49
Hispanic Owned Business Value .....	32
American Indian-Native Alaskan Owned Business Value .....	n/a
Asian Owned Business Value .....	15
Hawaiian-Pacific Islander Owned Business Value .....	n/a

**HOMEOWNERSHIP**

**OUTCOME GRADE: B**

Affordability of Homes .....	38
Homeownership Rate .....	6
Homeownership by Race .....	34
Homeownership by Income .....	3

Homeownership by Gender .....	20
Foreclosure Rate .....	24
Median Mortgage Debt .....	34

**HEALTH CARE**

**OUTCOME GRADE: C**

Employer-Sponsored Insurance .....	7
Uninsured Low-Income Children .....	40

Low-Income Parents Without Insurance .....	18
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**EDUCATION**

**OUTCOME GRADE: B**

Head Start Coverage .....	15
Math Proficiency - 8th Grade .....	27
Reading Proficiency - 8th Grade .....	27
Two Years of College .....	36

Four Years of College .....	16
Degrees by Race .....	22
Degrees by Income .....	18
Degrees by Gender .....	6

For each measure, the state with the most desirable outcome is ranked 1st, and the least desirable is ranked 51st.

n/a = data unavailable