

**For Immediate Release**

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## **Delaware Receives “B” on Financial Prosperity** *State Leads Nation in Fewest Households with Negative Net Worth*

**Washington, D.C.**— When it comes to achieving financial success, most Delaware residents are faring better than the rest of the country, according to a report released today by the Corporation for Enterprise Development (CFED), a national economic nonprofit. The state earned a “B” on the 2007-2008 *Assets and Opportunity Scorecard*, with Delaware showing strength in measures of financial security, homeownership and education.

CFED’s *Assets and Opportunity Scorecard*—online at [www.cfed.org/go/scorecard](http://www.cfed.org/go/scorecard)—measures the financial security of families in the U.S. 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 46 performance measures in the areas of Financial Security, Business Development, Homeownership, Health Care and Education.

Delaware residents have a high average net worth (6<sup>th</sup> among the states) and are relatively more financially stable than any other state. Delaware ranks #1 in the nation both as having the lowest percentage of households with zero or negative net worth, and the lowest percentage of households in “asset poverty” (not having the net worth to subsist more than three months at the poverty level in the event of total income loss). Most of the state’s residents have checking accounts and own their homes; the state ranks 7<sup>th</sup> in households with non-interest bearing accounts and 6<sup>th</sup> in homeownership rate. However, these strengths mask concerning levels of debt: Delaware ranks 46<sup>th</sup> in median installment debt, 44<sup>th</sup> in median credit card debt and 34<sup>th</sup> in median mortgage debt.

However, the climate for business development in Delaware is not as encouraging. Though levels of small business and microenterprise ownership rank 35<sup>th</sup> and 32<sup>nd</sup>, respectively—it appears harder for women and minorities in Delaware to start and own their own business. The state ranks 44<sup>th</sup> in women’s business ownership, 44<sup>th</sup> in Hispanic business ownership rate and 38<sup>th</sup> in African-American business ownership rate. However, the Asian business ownership rate is better than most; Delaware ranks 18<sup>th</sup> in this measure.

“Family financial security rests upon the ability to invest for the future and having safety nets in place in the event of job loss or emergencies,” says CFED President Andrea Levere. “By making higher education more accessible, promoting homeownership and improving health insurance availability, states can foster an environment of opportunity, inspiring more residents to plan for a more secure future.”

The *Scorecard* also provides state-by-state information on 38 key policies that can help or hinder citizens’ abilities to succeed financially, including detailed information on 12 core policies that have the potential to leverage maximum benefits.

The *Scorecard* notes that by supporting microenterprise (businesses that employ five or fewer workers) and community development lenders, Delaware can foster entrepreneurship among its residents. Delaware can also address high levels of debt by implementing policies to curb predatory lending practices.

These steps aside, this year's *Scorecard* shows that Delaware can be doing much more to provide families financial stability and help them get ahead.

Nationally the *Scorecard* notes that American households continue to spend more than they earn. However, net worth increased across the board due to escalating real estate values. Still, massive inequalities in wealth remain, along with high debt. Among the key national findings:

- 15% of Americans have zero or negative net worth.
- For every \$1 in net worth held by households headed by white adults, households headed by minorities have just 13 cents.
- The median revolving debt for American households is \$1,690; for Delaware, the median revolving debt is \$1,960 (44<sup>th</sup> among the states).
- Nearly one in four low-income children is uninsured (18.5%). Low-income parents fare even worse than their children, as more than two in five are uninsured (40.6%).

Top performers on the 2007-2008 *Scorecard*—those states that earned an overall A in performance measures—include Hawaii, Iowa, Maine, Massachusetts, Minnesota, Montana, New Hampshire, Vermont, Wisconsin and Wyoming.

For more information and to access the *Assets and Opportunity Scorecard*, visit [www.cfed.org/go/scorecard](http://www.cfed.org/go/scorecard).

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CFED expands economic opportunity by helping Americans start and grow businesses, go to college, own a home, and save for their children's and own economic futures. We identify promising ideas, test and refine them in communities to find out what works, craft policies and products to help good ideas reach scale, 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.