



DELAWARE ASSET BUILDING GROUP

An Overview

The **Delaware Asset Building Group** is a network of community stakeholders from the public, private and nonprofit sectors whose mission and commitment is to increase asset-building opportunities for Delaware's working families by creating an asset building state policy agenda and accessible continuum of services.

What is asset building and why does it matter?

Traditional approaches to fighting poverty have focused on meeting the immediate needs of low-income populations, offering essentials like food, clothing and shelter. While these approaches provide vital services for people in crisis, they do not offer a path that leads permanently out of poverty. Asset building refers to public policies, strategies, and programs that enable people with limited financial resources to accumulate long-term and productive assets.

While income helps people get by assets help them get ahead. Families build assets through education, savings, individual development accounts, investments, retirement accounts, vehicle ownership, home & land ownership, and small business ownership. Efforts that support families building assets include, but are not limited to: financial education, Earned Income Tax Credits, workplace development, post-secondary education, healthcare, asset limits in social assistance programs, and community assets.

According to the 2007-2008 Corporation for Economic Development Assets and opportunities Scorecard:

- 10.7% of Delawareans lack enough cash to survive for three months
- Delaware ranks 44th among the States for median credit card debt and 46th for median installment debt. Too much debt makes families especially vulnerable during times of economic hardship, drains wealth and negatively affects their ability to build assets.

The 2006 American Community Survey reveals:

- 11.1% of individuals in the state live below poverty
- 15.8% of all people in the state under the age of 18 live below poverty

According to Delaware's Vision2015 project, on average, every additional student who graduates from high school and from college:-

- Generates an additional \$1.4 million in lifetime earnings
- Contributes \$120,000 more in state and local taxes than a high school dropout.
- In addition, the student saves society \$71,000 in Medicaid costs and \$34,000 in prison costs.

What are the goals of the Delaware Asset Building Group?

DABG realizes that Delawareans who achieve personal wealth are better positioned to contribute to greater economic productivity in the state. Our action plans for achieving this reality will:

- Demonstrate the significance of asset building opportunities for low income Delawareans and its relevance to economic development,
- Promote state level asset-based policies that are designed to assist low-income households,
- Enhance the capacity of state Individual Development Account (IDA) organizations, and
- Lead to the creation of a state asset building coalition that will drive, support and strengthen the growth and operation of promising asset-building initiatives.

For more information about Delaware's Asset Building Group and asset-building initiatives throughout the state, please contact Faith Mwaura at 302-224-4060 or fmwaura@ywcade.org.