Unjust and Unfair Webinar Series

Why Wealth Matters to Your Health
May 10, 2022

Closing the Racial Wealth Gap with Innovative Solutions
June 14, 2022
Median Household Wealth in the U.S by Race and Ethnicity, 2019

- **White**: $188,200
- **Other or Multiple Races**: $74,500
- **Hispanic**: $36,200
- **Black**: $24,100

*Data source: 2019 Federal Reserve Survey of Consumer Finances. According to the Federal Reserve, the ‘Other/Multiple Races’ racial category listed includes “those identifying as Asian, American Indian, Alaska Native, Native Hawaiian, Pacific Islander, other race, and all respondents reporting more than one racial identification.” The White racial category refers to non-Hispanic Whites.*
Help us welcome our guests:

Shira Markoff
Policy Fellow
Prosperity Now

Keyana Walston
Project Manager & Management Analyst
City of Rocky Mount, NC
Health & Wealth: What’s the Connection?

countyhealthrankings.org
Wealth & Health

- Wealth = household assets – debts
- Wealth increases opportunity
- Those with greater wealth tend to have better health outcomes.
- Those with less wealth tend to have poorer health outcomes.
Join Us! Discussion Group

When: Immediately following the webinar

What: Interactive learning experience, opportunity to share ideas and ask questions

How: Zoom

Why: Deepen the webinar learning, allow further exploration
We envision a fair and just economy that is free from structural inequity and racism -- an economy where everyone can fully participate across their life cycles, where households can build sustainable wealth through generations and communities can prosper without exception.
Baby Bonds
Baby Bonds – Overview

▪ Baby Bonds are significant monetary investments made by the government on behalf of children shortly after birth to be used for future wealth-building

▪ Antiracist policy
  • Designed to narrow the racial wealth divide by providing the largest investment to children from the lowest wealth households that are disproportionately Black, Latinx, or Indigenous
How Baby Bonds Work

**BABY BONDS NARROW THE RACIAL WEALTH DIVIDE**

**HOW BABY BONDS WORK:**

**INVEST**
The government makes a substantial deposit for each child, with the largest endowments for children from households with the lowest wealth.

**GROW**
Funds are invested by the government on children’s behalf in order to grow appreciably.

**GENERATE WEALTH**
At adulthood, recipients use funds to acquire assets that generate wealth and economic security.

By investing in generations of children—with the largest investments provided for children from households with the least wealth, which are disproportionately Black, Latinx and Indigenous—over time, Baby Bonds will help narrow the racial wealth divide.
Potential Impact of Baby Bonds

- 2019 study by Naomi Zewde (CUNY professor & Roosevelt Institute Fellow)

- If a national Baby Bonds program had been started in mid-1990s (benefiting people ages 18-25 in 2015), racial wealth gap would have decreased from:
  - White households having about 15.9x the wealth of Black households TO
  - White households having only 1.4x the wealth of Black households (among participating households)

Overview of Connecticut & DC Programs

- Total Monetary Endowment
  - CT: $3,200 investment, plus earnings
  - DC: $500 initially, up to $1,000 annually, plus earnings

- Eligibility and Enrollment
  - CT & DC: Medicaid-eligible babies; automatically enrolled based on birth records

- Allowable Uses of Funds
  - CT & DC: Postsecondary education, home purchase, business investment
  - CT: Other assets yielding long-term gains to wages or wealth
  - DC: Retirement, commercial property purchase
### Overview of CT and DC Programs

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<tr>
<th></th>
<th>Connecticut</th>
<th>District of Columbia</th>
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<tbody>
<tr>
<td><strong>Total Monetary Endowment</strong></td>
<td>$3,200 investment plus earnings</td>
<td>$500 initially, up to $1,000 annual deposits plus earnings</td>
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<tr>
<td><strong>Endowment Amount by Household Wealth/Income</strong></td>
<td>Eligibility limited to children from Medicaid-eligible households; all eligible children receive the same amount</td>
<td>Eligibility limited to children in Medicaid-eligible households below 300% FPL; all receive same initial deposit; yearly deposits vary by income</td>
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<tr>
<td><strong>Enrollment Method</strong></td>
<td>Automatic enrollment from birth records</td>
<td>Automatic enrollment from birth records</td>
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<tr>
<td><strong>Allowable Uses of Funds</strong></td>
<td>• Education&lt;br&gt;• Home purchase&lt;br&gt;• Business investment&lt;br&gt;• Other assets yielding long-term gains to wages or wealth</td>
<td>• Education&lt;br&gt;• Home/commercial property purchase&lt;br&gt;• Business investment&lt;br&gt;• Retirement investment</td>
</tr>
<tr>
<td><strong>Structured as an Endowment</strong></td>
<td>Family contributions not accepted</td>
<td>Family contributions not accepted</td>
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<tr>
<td><strong>Program Funding Source</strong></td>
<td>Annual state-issued bond</td>
<td>Subject to annual appropriation</td>
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<tr>
<td><strong>State Benefit Asset Limit Exclusions</strong></td>
<td>Excludes funds from asset limits</td>
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Resources

- Baby Bonds section of our website: prosperitynow.org/baby-bonds
- Introduction to Baby Bonds: Baby Bonds Overview (video)
- Creating State/Local Baby Bonds Programs: A Brighter Future With Baby Bonds: How States and Cities Should Invest in Our Kids (paper and brief)
- Federal Baby Bonds Legislation: Baby Bonds: Landmark Legislation to Address the Growing Racial Wealth Divide (2-pager)

Join the Campaign for Every Kid’s Future for news, resources & events: prosperitynow.org/get-involved/campaign-for-every-kids-future
Contact Information

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Rocky Mount, NC

2020-2021 RWJF Culture of Health Prize Winner

Map credit: Nations Online Project
Rocky Mount, NC

Median household income = $42,691

Population Overview

- Black or African American: 63%
- White alone: 31%
- Hispanic or Latino: 4%
- Asian alone: 2%

U.S. Census 2021 Estimates
Understanding Racial Gap
Concept

Identify New Project → Neighborhood Association → Fundraising → Property Acquisition → Renovation & Construction → Redeveloped Property → Reinvest Net Proceeds → Sell to Homeowner
Responsibilities

**Neighborhood Associations**
- Active Leadership
- Apply for Council Housing Incentives
- Fundraise from Other Sources
- Provide Volunteer Labor
- Sell Redeveloped Property
- Reinvest Proceeds

**City of Rocky Mount**
- Provide Funding for Acquisition, Renovation & Construction
- Staff to provide Technical Assistance and Project Management
Berkshire Community

- 1816 Duncan Drive
  - $52,000 Total Funding for Acquisition & Renovations
    - $30,000 Council Housing Incentive Grant
    - $12,000 Community Contributions
    - $10,000 Unsecured Loan
  - House Sold for $89,900
  - Net Proceeds: $37,900
1816 Duncan Drive
Berkshire Community

• 701 Lincoln Drive
  • $77,900 Total Funding for Acquisition, Demolition & Environmental
    • $40,000 Council Housing Incentive Grant
    • $37,900 Net Proceeds from 1816 Duncan Drive
  • Currently Working on Plans for New Construction (~$216,000)
Projects

Around the Wye Neighborhood

- 511 Buena Vista
  - $132,000 Total Funding for Acquisition & Renovations
    - $130,000 Council Housing Incentive Grant (2)
    - $2,000 Community Contribution
  - Home Purchased for $32,000
  - Renovations Upcoming
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Do you plan to use the strategies shared today to deepen your understanding of the racial wealth divide?
Yes
No
Maybe
Questions?
Click on survey link in the chat
National Equity Atlas
Measuring Equity

July 19, 2022

Demon Drummer
Managing Director for Equitable Economy
PolicyLink

Jennifer Tran
Director, National Equity Atlas
PolicyLink
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Thank you!

CONTACT US

www.countyhealthrankings.org

County Health Rankings & Roadmaps

Building a Culture of Health, County by County