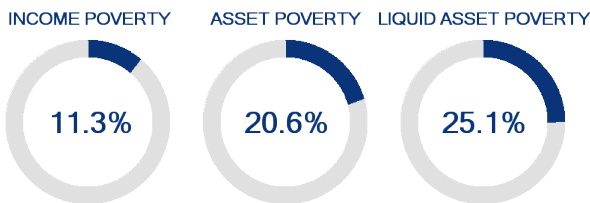


STATE PROFILE: VERMONT



The recession's lingering effects have taken an enormous toll on Vermont families. Fully 11.3% of state residents live in poverty and far more are financially vulnerable. The 2013 *Assets & Opportunity Scorecard* found that 25.1% of Vermont households are liquid asset poor, which means that they have less than three months of savings to fall back on in the event of a job loss, health crisis or other income-disrupting emergency. Additionally, 20.6% are asset poor, meaning that the assets that they do have—whether a savings account or durable assets such as a home, business or car—are overwhelmed by debt.



Asset poverty in Vermont is 1.8 times higher than income poverty and liquid asset poverty is 2.2 times higher.

WHAT VERMONT CAN DO

- **Invest in Entrepreneurs:** To increase small business and microenterprise ownership for women and people of color, Vermont should create a Self-Employment Assistance program and fund a State Microenterprise Association.
- **Increase Affordability of Homeownership and Protect Communities:** To assist first-time homebuyers, Vermont should provide direct lending to first-time homebuyers and reinstate downpayment assistance through grants, second mortgages or premium bonds. To protect communities hard hit by foreclosures, Vermont should enable land banking of foreclosed properties.
- **Promote College Savings:** To decrease college debt, which is among the highest in the nation, Vermont should improve its 529 plan by removing barriers to saving for low-income students, such as eliminating the minimum deposit requirement.

ABOUT THE SCORECARD

The *Assets & Opportunity Scorecard* is a comprehensive look at Americans' financial security today and their opportunities to create a more prosperous future. It assesses the 50 states and the District of Columbia on 102 outcome and policy measures, which describe how well residents are faring and what states can do to help them build and protect assets. These measures are grouped into five issue areas: Financial Assets & Income, Businesses & Jobs, Housing & Homeownership, Health Care, and Education.

For a complete description of *Scorecard* measures and sources, including how the grades and rankings were assigned, go to <http://scorecard.cfed.org>.

KEY HIGHLIGHTS

21%

of Vermont households live in asset poverty

46%

of Vermont consumers have subprime credit

11%

of jobs in Vermont are low-wage jobs

37%

of homeowners in Vermont are cost burdened

8%

of people in Vermont are uninsured

35%

of adults in Vermont have at least a 4-year college degree

Published January 2013

VERMONT

OVERALL RANK: 1

The *Scorecard* ranks 53 outcome measures from best to worst; #1 is the most desirable, #51 is the least desirable. Data for an additional 16 measures are published, but states are not ranked on these measures due to insufficient data at the state level. Issue area ranks and grades are calculated by averaging the ranks of measures within the issue area. Grades for issue areas are given on a curve: 10 states get As, 10 get Bs, 16 get Cs, 10 get Ds and 5 get Fs. The overall rank is calculated by ranking the sum of the issue area ranks.

FINANCIAL ASSETS & INCOME

ISSUE AREA RANK: 2 | GRADE: A

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Income Poverty Rate	11.3%	14.6%	10
Asset Poverty Rate	20.6%	26.0%	—
Asset Poverty by Race	—	2.1 x higher for HHS of color	—
Asset Poverty by Gender	—	1.1 x higher for single women	—
Asset Poverty by Family Structure	—	2.2 x higher for 1-parent HHS	—
Liquid Asset Poverty Rate	25.1% *	43.9%	N.R.
Liquid Asset Poverty by Race	—	1.8 x higher for HHS of color	—
Liquid Asset Poverty by Gender	—	1.09 x higher for single women	—
Liquid Asset Poverty by Family Structure	—	1.9 x higher for 1-parent HHS	—
Extreme Asset Poverty Rate	15.0% *	17.5%	—
Net Worth	—	\$68,948	—
Net Worth by Race	—	10.3 x higher for white HHS	—
Net Worth by Income	—	68 x higher for top 20%	—
Net Worth by Gender	—	1.18 x higher for single men	—
Net Worth by Family Structure	—	22 x higher for 2-parent HHS	—
Unbanked Households	3.4%	8.2%	3
Underbanked Households	17.4%	20.1%	12
Households with Savings Accounts	76.1%	69.2%	12
Consumers with Subprime Credit	46.4%	56.4%	4
Borrowers 90+ Days Overdue	2.84%	4.33%	4
Average Credit Card Debt	\$9,625	\$10,736	22
Bankruptcy Rate (per 1,000 people)	1.7	4.4	4

BUSINESSES & JOBS

ISSUE AREA RANK: 1 | GRADE: A

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Microenterprise Ownership Rate	19.7%	16.7%	3
Small Business Ownership Rate	1.78%	1.34%	6
Business Ownership by Race	1.4 x higher for white workers	1.5 x higher for white workers	8
Business Ownership by Gender	1.4 x higher for men	1.3 x higher for men	35
Business Value by Race	1.1 x higher for white bus. owners	2.6 x higher for white bus. owners	1
Business Value by Gender	2.7 x higher for men	2.6 x higher for men	28
Business Creation Rate (per 1,000 workers)	12.1	9.2	10
Private Loans to Small Business	\$1,307	\$1,148	12
Unemployment Rate	5.8%	8.9%	5
Unemployment by Race	1.3 x higher for people of color	1.7 x higher for people of color	3
Underemployment Rate	11.6%	15.9%	8
Low-Wage Jobs	11.4%	21.5%	5
Average Annual Pay	\$40,414	\$48,043	46
Retirement Plan Participation	47.8%	44.6%	25
Employers Offering Health Insurance	52.4%	51.0%	18

HOUSING & HOMEOWNERSHIP

ISSUE AREA RANK: 20 | GRADE: B

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Homeownership Rate	71.3%	64.6%	7
Homeownership by Race	1.6 x higher for white HHS	1.6 x higher for white HHS	35
Homeownership by Income	1.9 x higher for top 20%	2.2 x higher for top 20%	6
Homeownership by Gender	1.06 x higher for single men	1.01 x higher for single women	—
Homeownership by Family Structure	1.5 x higher for 2-parent HHS	1.9 x higher for 2-parent HHS	3
Foreclosure Rate	3.88%	4.27%	37
Delinquent Mortgage Loans	1.59%	3.04%	8
High-Cost Mortgage Loans	1.98%	2.47%	24
Affordability of Homes (value/income)	4 x higher than median income	3.4 x higher than median income	38
Housing Cost Burden - Homeowners	37.0%	36.9%	36
Housing Cost Burden - Renters	53.4%	53.4%	36

HEALTH CARE

ISSUE AREA RANK: 2 | GRADE: A

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Uninsured Rate	7.7%	17.3%	3
Uninsured by Race	1.5 x higher for people of color	2 x higher for people of color	9
Uninsured by Income	3 x higher for poorest 20%	3.5 x higher for poorest 20%	11
Uninsured by Gender	1.6 x higher for men	1.2 x higher for men	51
Uninsured Low-Income Children	2.3%	10.7%	1
Uninsured Low-Income Parents	4.9%	34.5%	1
Employer-Provided Insurance Coverage	60.9%	57.4%	22
Employee Share of Premium	26.1%	26.4%	22
Out-of-Pocket Medical Expenses	—	16.2%	—

EDUCATION

ISSUE AREA RANK: 1 | GRADE: A

OUTCOME MEASURE	State Data	U.S. Data	STATE RANK
Early Childhood Education Enrollment	52.0%	28.2%	1
Math Proficiency - 8th Grade	46.0%	34.7%	4
Reading Proficiency - 8th Grade	44.4%	33.5%	4
High School Degree	91.8%	85.9%	5
Two-Year College Degree	43.8%	36.3%	4
Four-Year College Degree	35.4%	28.5%	6
Four-Year Degree by Race	1.02 x higher for people of color	1.6 x higher for white adults	1
Four-Year Degree by Income	3.5 x higher for top 20%	4.6 x higher for top 20%	9
Four-Year Degree by Gender	1.19 x higher for women	1.01 x higher for men	—
Average College Graduate Debt	\$28,273	\$26,600	41
College Graduates with Debt	63%	66%	26
Student Loan Default Rate	5.7%	13.4%	2

For a complete description of Scorecard measures and sources, including how the grades and ratings were assigned, go to <http://scorecard.cfed.org>.

— = "Not Available." Data or ranks are not available because insufficient or unreliable data exist for the state.

N.R. = "Not Ranked." These data are not ranked because the estimate or rank is too imprecise to say with confidence how the state compares to other states.

* Indicates that the margin of error is greater than 25% of the estimate, and as such, this estimate is too imprecise to rank. Caution should be used when using this data.





POLICY RATINGS

The *Scorecard* includes 33 policy measures: 12 priority policies and 21 additional policies. For policy priorities, states are assessed against criteria for what constitutes a strong policy. Taken together, these policies provide a comprehensive view of what states can do to help residents build and protect assets. Policy priority data are current as of September 2012; additional policy data are drawn from the latest published reports, usually 2011-2012.

-  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

FINANCIAL ASSETS & INCOME

Policy Priorities



-  Tax Credits for Working Families
-  State IDA Program Support
-  Lifting Asset Limits in Public Benefit Programs
-  Protections from Predatory Short-Term Loans

Additional Policies

- Income Tax Threshold** ... \$33,600
- Tax Burden by Income** ... The poorest 20% of families pay 1.1 times more of their income in taxes than the top 1% of families
- Prize-Linked Savings** ... Prize-linked savings not allowed
- Paperless Payday** ... Paperless payday not permitted

BUSINESSES & JOBS

Policy Priorities



-  State Support for Microenterprise
-  Job Quality Standards

Additional Policies

- Unemployment Benefit Level** ... 39.4% of average weekly wage
- Unemployment Benefit Eligibility** ... Uses alternative base period; Part-time workers covered; Some benefits for compelling family reasons
- Incentives for Employee Ownership** ... WIA-funded feasibility studies; Direct state assistance
- Loans for Beginning Farmers** ... No state policy

HOUSING & HOMEOWNERSHIP

Policy Priorities

-  Foreclosure Prevention and Protections
-  First-Time Homebuyer Assistance

Additional Policies

- Housing Trust Funds** ... Has statewide housing trust fund
- Preservation of Affordable Rental Housing** ... 45.9% of LIHTC for preservation
- Tenant Protections from Foreclosure** ... Has protections beyond federal law
- Property Tax Relief** ... Circuit breaker for homeowners and renters; No tax deferment
- Resident Ownership of Manufactured Housing Communities** ... Medium strength protections; 45 days closure notice and opportunity to purchase; Tax incentive to sell to homeowners

HEALTH CARE

Policy Priorities




-  Access to Health Insurance

Additional Policies

- Expanded COBRA Coverage** ... COBRA expansion for 18 months
- Healthcare Information Databases** ... Has database

EDUCATION

Policy Priorities

-  Access to Quality K-12 Education
-  Financial Education in Schools
-  College Savings Incentives

Additional Policies

- State-Funded Head Start** ... No state supplement
- Quality of State Pre-K Programs** ... Established state program; \$3,272 per child enrolled; 4 of 10 quality standards met
- Kindergarten Standards** ... Half Day Kindergarten; separate standards; no certificates or training required for teachers
- State Financial Aid for Postsecondary Education** ... \$529 per student; 100% need-based
- TANF-Funded Workforce Training** ... 0% of funds spent on training
- WIA-Funded Workforce Training** ... 72.5% of participants received training