

**Beyond \$avvy Consumers LLC**  
**Changing the Narrative:**

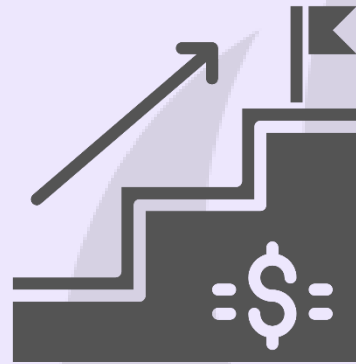


**Advancing Wealth & Financial Security**  
**for System-Impacted People**

# OUR GOALS



Decrease financial insecurity for marginalized groups like system-impacted people

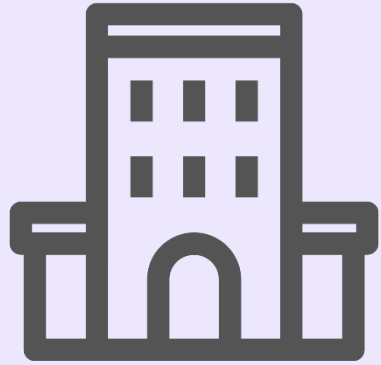


Increase financial capacity to reduce the economic wealth divide



Foster increased asset ownership, and create positive outcomes for individuals, families, communities and overall economy

# OUR SERVICES



## **FOR AGENCIES/INSTITUTIONS**

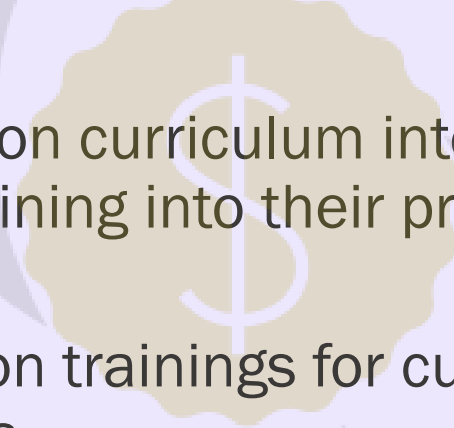
- Provide asset-focused financial education seminars for participants
- Asset-focused financial education curriculum integration for staff looking to integrate the B\$C training into their programming

## **FOR INDIVIDUALS**

- Asset-focused financial education trainings for currently and formerly incarcerated individuals

## **ECONOMIC ADVOCACY**

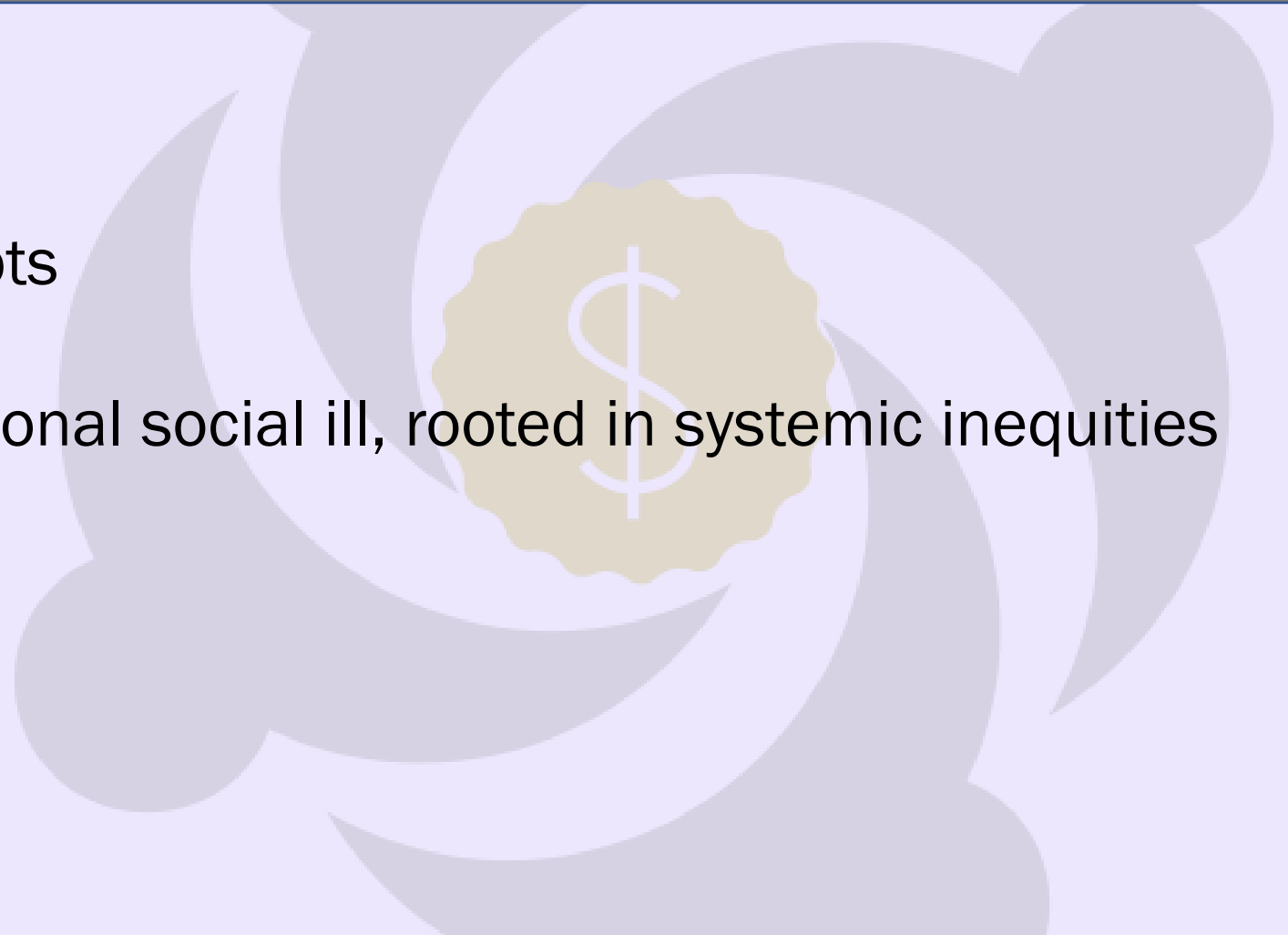
- Participate in civic engagement to raise awareness and support systemic change to reduce the racial economic wealth divide



# WEALTH AND ASSET- POVERTY

**Wealth-** one's assets minus debts

**Asset poverty-** is a multi-dimensional social ill, rooted in systemic inequities





**CONTRIBUTING FACTORS TO  
ASSET-POVERTY, LACK OF WEALTH,  
& MARGINALIZATION FOR PEOPLE OF COLOR**

# HISTORIC GOVERNMENT ASSET RESTRICTIONS

Historic Government Policies that Supported Asset Ownership  
Pre and Post Civil War

Land  
Ordinance  
Act of 1785

Homestead  
Act of 1862

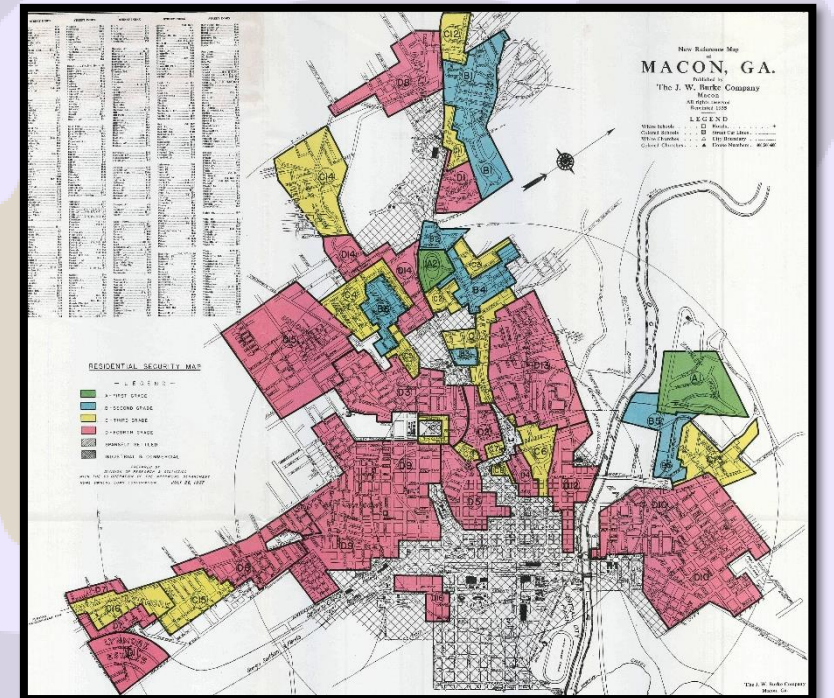
Southern  
Homestead  
Act of 1866

Suburbanization

# RACIAL ECONOMIC MARGINALIZATION

## Redlining

- Banks made race a prerequisite for home loans during suburbanization
- They mapped out areas called *Red Zones*, that were labeled hazardous
- Still happening in modern times



Map of Macon, GA, showing Red Zones

# ASSET-RESTRICTING GOVERNMENT POLICIES

## Housing and Community Development Act of 1974

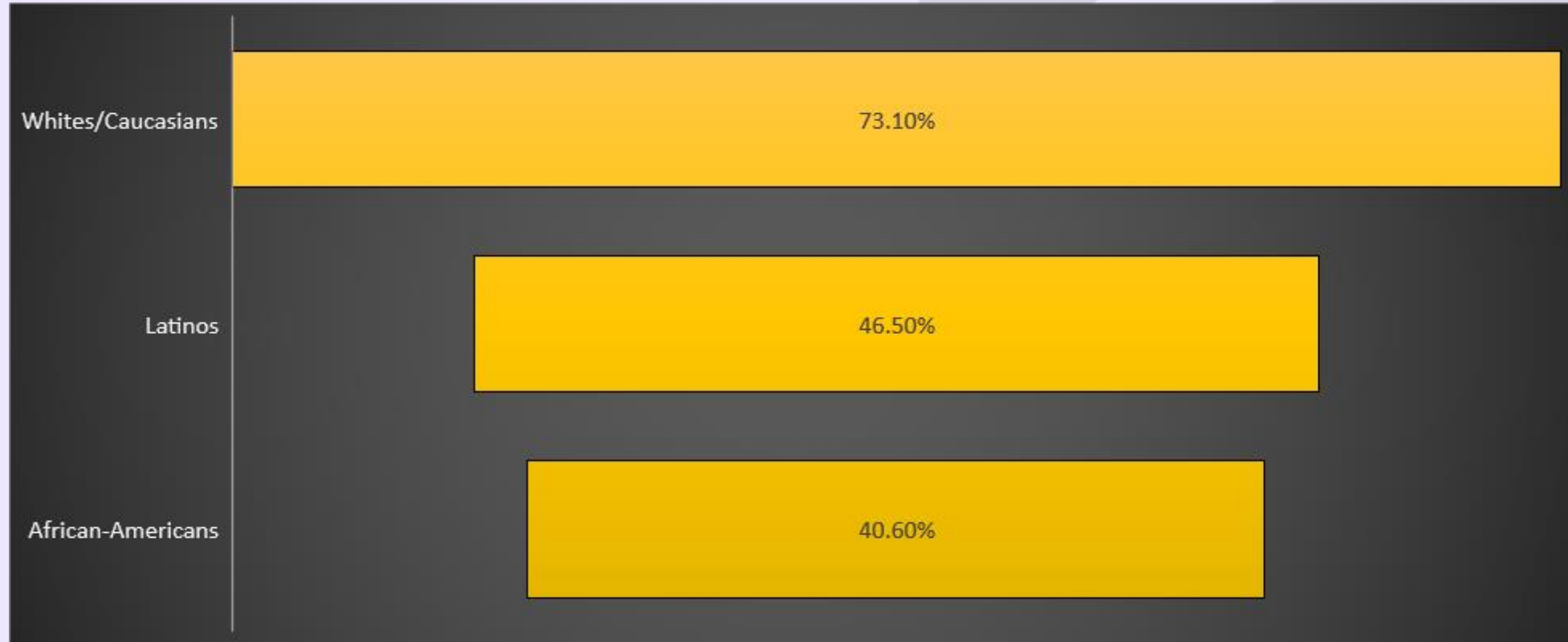
- ✓ Originally intended as a financial support for African-American and minority returning veterans, contained an asset restriction clause

## President Reagan's Omnibus Reconciliation Act of 1981

- ✓ Capped the assets amount at \$1,000 for persons receiving government assistance
- ✓ In the 90's the Clinton Administration allowed states to set their own asset caps



# EXTERNAL FACTORS MODERN DAY IMPACT ON HOMEOWNERSHIP



A 2019 report issued by Redfin showed a drop in homeownership by 3% overall.

**POVERTY,  
INCARCERATION,  
AND GENERATIONAL  
FINANCIAL  
INSECURITY**



**By the age of 48, the typical formerly incarcerated person will have earned \$179,000 less than if he had never been incarcerated**



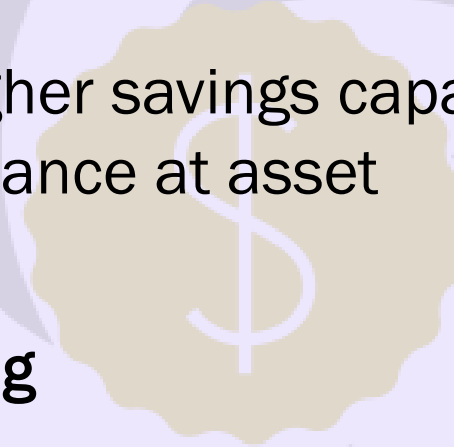
# PRE-RELEASE AND REENTRY PROGRAMS

## Lack of focus on career planning

- ✓ Promotes higher incomes which leads to higher savings capacity, higher savings capacities means a better chance at asset ownership to build wealth

## Lack of formalized financial education programming

- ✓ That encourages credit and debt repair during and after incarceration
- ✓ That both informs about the barriers to entrepreneurship & ways to navigate them



# EARNINGS PRIOR TO INCARCERATION

Incarcerated people (prior to incarceration)			Non-incarcerated people		
	Men	Women		Men	Women
All	\$19,650	\$13,890		\$41,250	\$23,745
Black	\$17,625	\$12,735		\$31,245	\$24,255
Hispanic	\$19,740	\$11,820		\$30,000	\$15,000
White	\$21,975	\$15,480		\$47,505	\$26,130

# CORONAVIRUS' INFLUENCED LABOR MARKET

## Dual Labor Markets

Secure, well-paying jobs

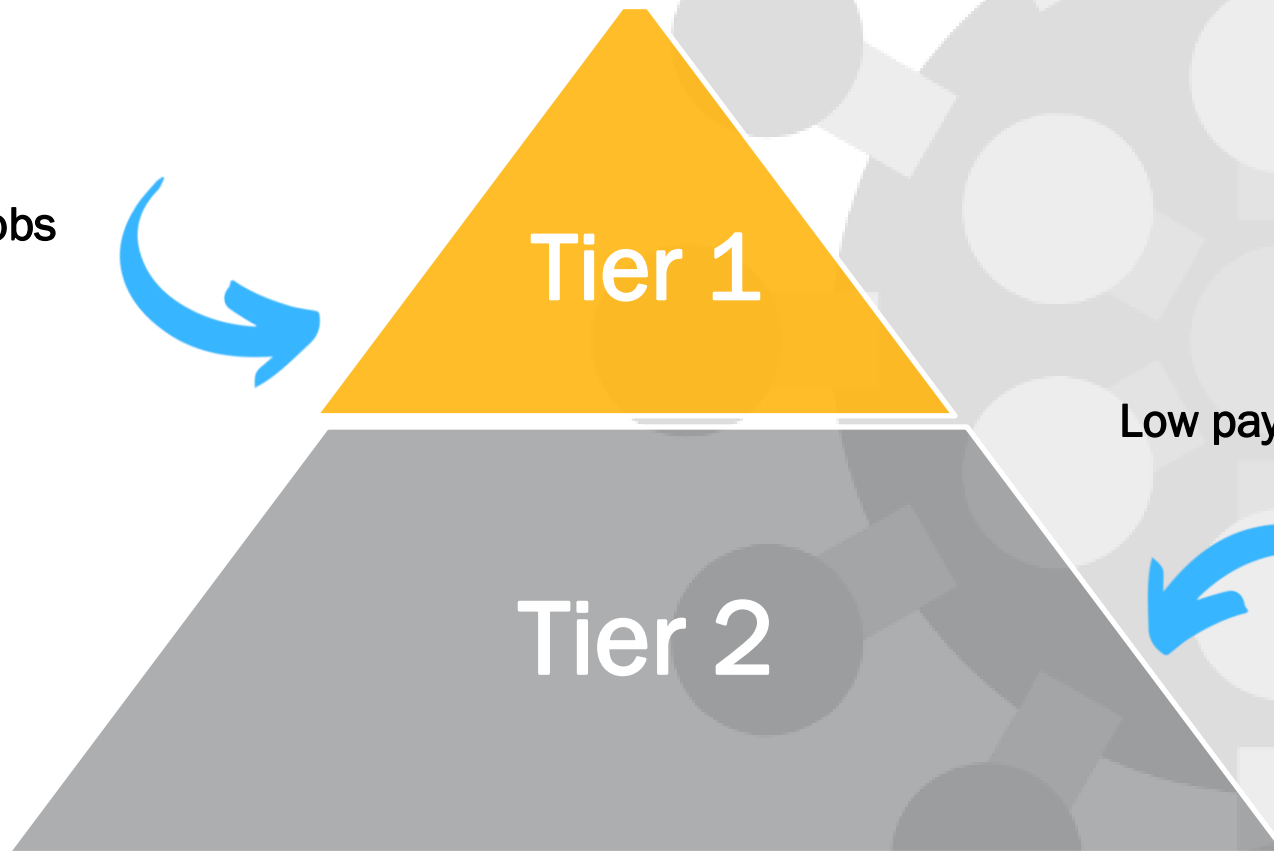


Tier 1

Low paying, insecure jobs



Tier 2



# **CORONAVIRUS UNCOVERS MORE RACIAL DISPARATIES IN LENDING**

**A federal court ruled in June of 2020 that denying eligibility for the Paycheck Protection Program (PPP) to small business owners with criminal records was unlawful**

# **LOCKED OUT OF: MAINSTREAM**

- **MAINSTREAM FINANCIAL PRODUCTS & INSTITUTIONS**
- **LIFE INSURANCE**





# ASSET OWNERSHIP POST-INCARCERATION

*The Fragile Families and Wellbeing Study:*

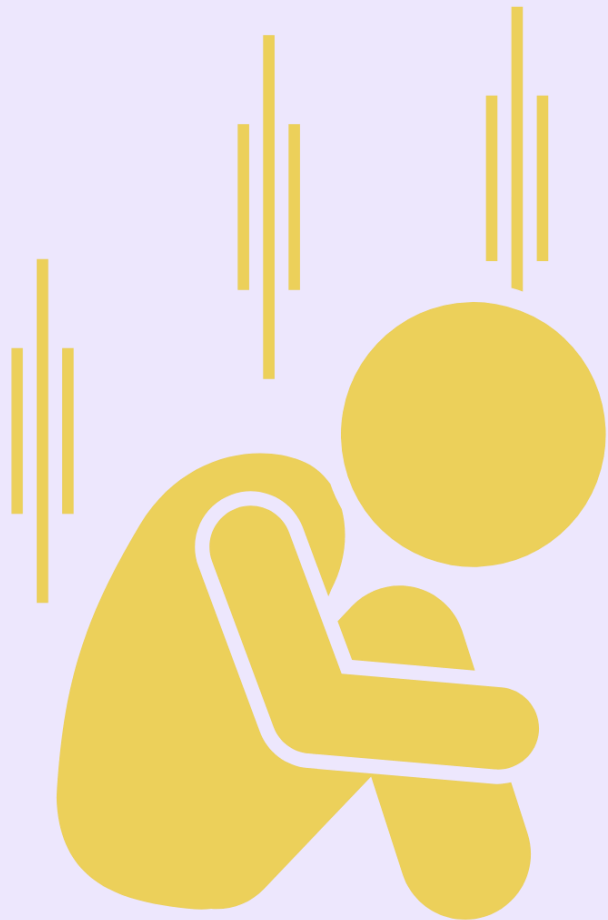
- ✓ Tracked parents in 20 large cities over nine years to analyze the post-release impact of incarceration on asset ownership. It found:
  - ❑ Recent incarceration reduced the likelihood of owning a bank account and vehicle
  - ❑ Incarceration of fathers impacted joint assets like vehicles and homes
  - ❑ Barriers to acquiring new assets

# PERPETUATING GENERATIONAL POVERTY



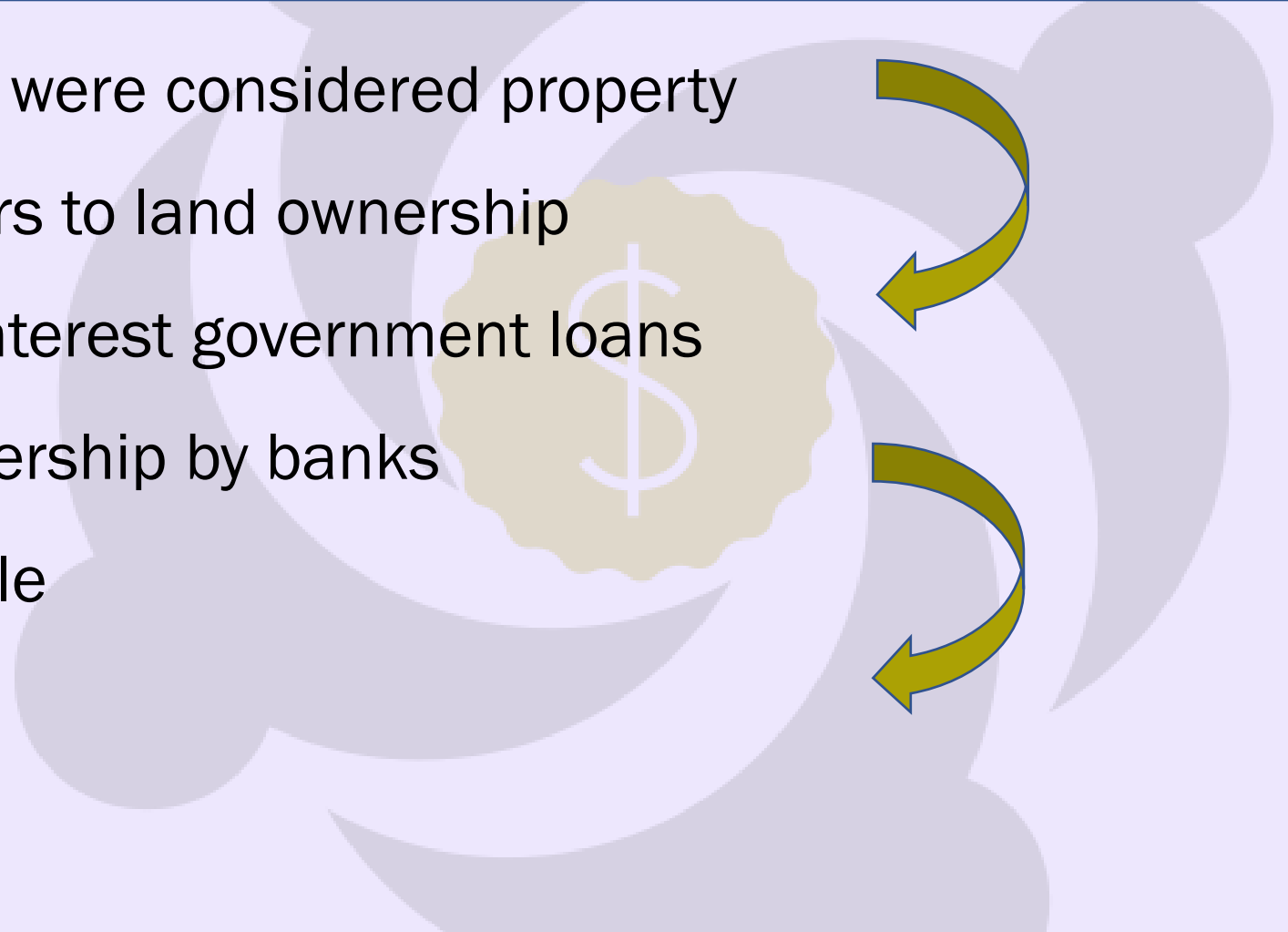
- ❑ Education and parental income are strong indicators of children's future economic mobility
- ❑ 42% of children who start out in the bottom fifth of the income distribution, remain stuck in the bottom themselves in adulthood, creating a repetitious cycle of poverty
- ❑ 54% of African-American children remain in the bottom of the income distribution as adults

# THE IMPACT OF FINANCIAL STRESS ON CHILDREN

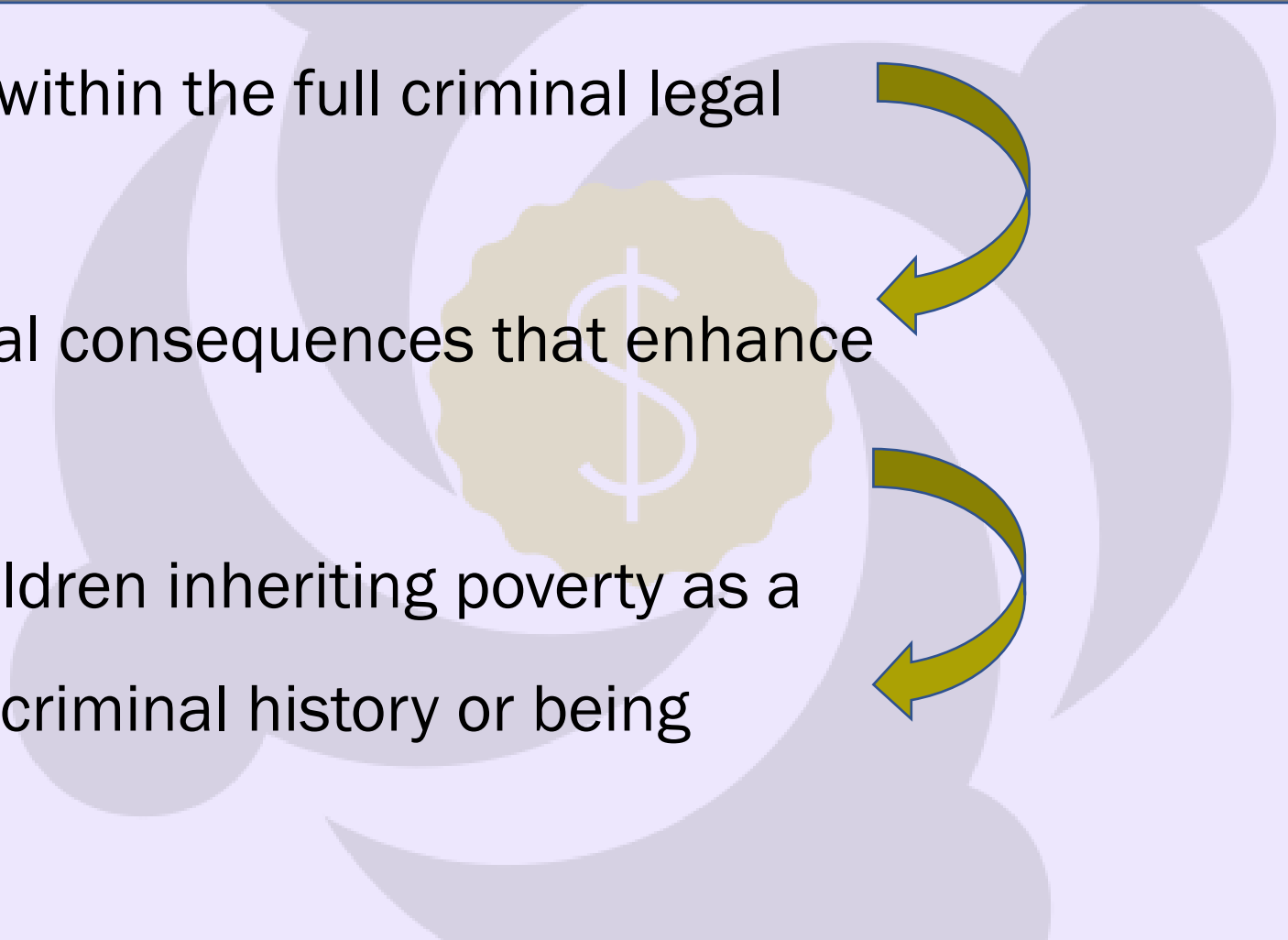


# RECAP

- ✓ Initially African Americans were considered property
- ✓ Post-civil war faced barriers to land ownership
- ✓ Were excluded from low interest government loans
- ✓ Redlined out of homeownership by banks
- ✓ Impacted by the assets rule



- ✓ Face disparate treatment within the full criminal legal system
- ✓ Face post-release collateral consequences that enhance poverty
- ✓ Increased likelihood of children inheriting poverty as a result of parents having a criminal history or being incarcerated



**INTERESTED IN PARTNERING WITH B\$C?**

**Contact...**



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