



STATE OUTCOME & POLICY REPORT TEXAS

PROSPERITY NOW SCORECARD

Texas ranks 43rd on the prosperity of its residents compared to the 50 states and the District of Columbia. This rank is based on states' performance on economic measures for all residents but also accounts for racial disparities in outcomes. Relative to other states, Texas's performance ranks in the bottom 10 for residents overall and the large gap between White residents and residents of color keeps the state's rank close to the bottom with negative implications for the prosperity of Texas. For example, the homeownership rate of White households is 70% compared to 57% for Latino households and 40% for Black households.

The Prosperity Now Scorecard features 28 policies that attempt to improve financial security outcomes. The Scorecard assesses whether your state has or has not adopted each of these policies. Texas has adopted 8 policies.

SCORECARD RANK	43
RACIAL DISPARITY RANK	22
OUTCOME RANK	42

OUTCOME HIGHLIGHTS

29.6%

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

45.9%

of Texas households live in liquid asset poverty

26.8%

of jobs in Texas are low-wage jobs

55.4%

of Texas households kept emergency savings in the past year

POLICY HIGHLIGHTS



Will state's minimum wage be at least \$15 by 2024 or is it indexed for inflation?



Does state protect Section 8 voucher-holders from discrimination in the housing market?



Has state eliminated TANF asset test?



Has state enacted an EITC that is refundable and at least 15% of the federal credit?

About the Prosperity Now Scorecard

The *Prosperity Now Scorecard* is a comprehensive resource featuring data on family financial health, racial economic inequality, and policy recommendations to help put all U.S. households on a path to prosperity. The Scorecard equips advocates, policymakers and practitioners with national, state, county and city data to jump-start a conversation about solutions and policies that put households on stronger financial footing across five issue areas: Financial Assets & Income, Businesses & Jobs, Homeownership & Housing, Health Care and Education.

OUTCOME MEASURES

The *Scorecard* ranks states on 52 outcome measures from best to worst: #1 is the most desirable, #51 is the least desirable. The Outcome Rank is calculated by averaging the rank all of the state's measures and demonstrates how outcomes for all residents compare to residents of other states and DC. The Outcome Rank accounts for 60% of a state's Scorecard Rank.

Financial Assets & Income

OUTCOME MEASURE	STATE DATA	US DATA	STATE RANK
Income Poverty Rate	13.8%	13.0%	37
Asset Poverty Rate	24.2%	25.3%	11
Net Worth	\$63,310	\$79,826	-
Liquid Asset Poverty Rate	45.9%	40.0%	26
Households with Zero Net Worth	15.5%	16.5%	-
Saved for Emergencies	55.4%	57.8%	39
Unbanked Households	9.5%	6.5%	47
Underbanked Households	24.2%	18.7%	50
Income Inequality	4.8x as high for top 20%	4.9x as high for top 20%	36
Income Volatility	18.9%	20.1%	14
Households with Savings Accounts	66.4%	71.4%	42
Consumers with Prime Credit	42.7%	51.9%	47
Access to Revolving Credit	67.6%	73.1%	41
Borrowers Over 75% Credit Card Limit	30.2%	25.4%	46
Severely Delinquent Borrowers	20.9%	14.8%	47
Consumers with Collections	30.7%	21.2%	48
Bankruptcy Rate	1.1	2.3	6
Fell Behind on Bills	14.6%	13.2%	33

Businesses & Jobs

OUTCOME MEASURE	STATE DATA	US DATA	STATE RANK
Microenterprise Ownership Rate	19.1%	18.2%	11
Business Ownership by Gender	1.1x as high for men	1.3x as high for men	8
Business Ownership by Race	18.3%	17.6%	-
Business Value by Race	\$460,079	\$440,190	-
Business Value by Gender	3x as high for men	3x as high for men	24
Unemployment Rate	3.9%	4.0%	24
Underemployment Rate	7.4%	7.8%	21
Low-Wage Jobs	26.8%	22.5%	37
Average Annual Pay	\$57,580	\$55,390	7
Employers Offering Health Insurance	47.5%	46.9%	28

Homeownership & Housing

OUTCOME MEASURE	STATE DATA	US DATA	STATE RANK
Homeownership Rate	62.0%	63.9%	45
Affordability of Homes	2.9x higher than median income	3.6x higher than median income	11
Housing Cost Burden - Renters	48.0%	49.5%	30
Housing Cost Burden - Homeowners	25.8%	27.5%	26
Delinquent Mortgage Loans	1.60%	1.30%	47
Foreclosure Rate	0.65%	1.05%	17
High-Cost Mortgage Loans	11.1%	7.6%	49

Health Care

OUTCOME MEASURE	STATE DATA	US DATA	STATE RANK
Uninsured Rate	19.4%	10.2%	51
Uninsured Low-Income Children	13.4%	6.9%	50
Employee Share of Premium	31.8%	27.9%	41
Employer-Provided Insurance Coverage	54.4%	59.1%	43
Forgoing Doctor Visit Due to Cost	19.6%	13.5%	51
Poor or Fair Health Status	20.8%	18.4%	42

Education

OUTCOME MEASURE	STATE DATA	US DATA	STATE RANK
Early Childhood Education Enrollment	43.0%	48.0%	36
Four-Year College Degree	29.6%	32.0%	30
Math Proficiency - 8th Grade	33.0%	34.3%	28
Reading Proficiency - 8th Grade	28.0%	36.1%	44
High School Graduation Rate	89.1%	84.1%	5
Disconnected Youth	13.1%	11.6%	40
Borrowers with Student Loan Debt	21.6%	21.9%	19
Median Student Loan Debt	\$16,427	\$18,366	10
Severely Delinquent Student Loan Debt	16.7%	15.2%	33

— Indicates that no data is available, or data is suppressed due to a margin of error that is greater than 50% of the estimate.

For a complete description of *Scorecard* measures and sources, including how the ranks were assigned, go to scorecard.prosperitynow.org.

RACIAL OUTCOMES

The *Scorecard* disaggregates data by race for 26 outcomes. The Racial Disparity rank is calculated by averaging the gaps in outcomes for White residents and residents of color for each measure. This average disparity is then ranked against the other states and DC. A Racial Disparity Rank of 51 means that the disparity is the largest compared to all states and DC. A lower rank indicates that the disparity is narrower than in other parts of the country, but even in these states, racial economic inequality remains problematic for the state's overall economic prosperity and resilience. The Racial Disparity rank accounts for 40% of a state's Scorecard rank.

Financial Assets & Income

OUTCOME MEASURE	OVERALL	WHITE, NH*	PEOPLE OF COLOR	BLACK	AMERICAN INDIAN	ASIAN	NHPI**	LATINO
Income Poverty Rate	13.8%	8.9%	18.8%	19.0%	16.0%	10.9%	19.4%	20.0%
Asset Poverty Rate	24.2%	18.7%	30.0%	31.7%	-	-	-	31.5%
Net Worth	\$63,310	\$102,211	\$33,115	-	-	-	-	\$33,700
Liquid Asset Poverty Rate	45.9%	32.9%	59.6%	59.0%	-	-	-	63.5%
Households with Zero Net Worth	15.5%	13.8%	17.3%	20.3%	-	-	-	17.7%
Saved for Emergencies	55.4%	61.5%	49.7%	52.4%	-	-	-	46.8%
Unbanked Households	9.5%	2.8%	15.5%	19.0%	-	-	-	16.1%
Underbanked Households	24.2%	18.2%	29.4%	39.0%	-	-	-	28.2%
Income Volatility	18.9%	18.4%	19.4%	19.8%	-	-	-	18.4%
Households with Savings Accounts	66.4%	77.5%	56.5%	59.2%	-	-	-	51.5%
Fell Behind on Bills	14.6%	10.4%	18.2%	28.0%	-	-	-	15.9%

Businesses & Jobs

Business Ownership by Race	18.3%	21.7%	16.1%	14.4%	51.0%	23.6%	4.1%	15.1%
Business Value by Race	\$460,079	\$839,279	\$175,136	\$69,669	\$209,306	\$461,566	\$338,209	\$144,669
Unemployment Rate	3.9%	3.0%	4.6%	5.5%	-	-	-	4.5%

Homeownership & Housing

Homeownership Rate	62.0%	70.4%	53.5%	40.2%	57.6%	64.6%	43.0%	57.4%
Affordability of Homes	2.91 : 1	2.38 : 1	-	3.82 : 1	3.24 : 1	2.05 : 1	3.97 : 1	3.68 : 1
Housing Cost Burden - Renters	48.0%	42.4%	51.7%	54.2%	45.7%	41.9%	50.0%	51.5%

Health Care

Uninsured Rate	19.4%	11.9%	25.0%	16.4%	25.8%	11.6%	22.8%	28.5%
Forgoing Doctor Visit Due to Cost	19.6%	14.3%	-	23.8%	-	-	-	25.1%
Poor or Fair Health Status	20.8%	18.0%	-	24.0%	-	-	-	25.0%

Education

Four-Year College Degree	29.6%	38.6%	20.5%	24.2%	20.5%	59.2%	20.8%	14.5%
Math Proficiency - 8th Grade	33.0%	50.6%	-	14.1%	-	77.5%	-	23.0%
Reading Proficiency - 8th Grade	28.0%	39.8%	-	14.3%	-	62.9%	-	20.6%
High School Graduation Rate	89.1%	93.4%	-	85.4%	87.0%	95.7%	88.0%	86.9%
Disconnected Youth	13.1%	10.7%	14.4%	17.1%	18.9%	6.8%	12.3%	14.5%

* White, Non-Hispanic ** Native Hawaiian or Other Pacific Islander

POLICY MEASURES

The *Scorecard* includes 28 policies organized into 18 groups. States are assessed based on whether they have adopted each policy; a ✓ indicates the state has adopted the policy; a ✗ indicates the state has not. Policy adoption is assessed on policies enacted during calendar year 2018.

Financial Assets & Income 2 OF 13 POLICIES ADOPTED

Debt Collection Protections	✓	Does state adequately protect consumers' assets from debt collection?
	✗	Does state adequately protect consumers from abusive debt-buying practices?
Predatory Small-Dollar Lending Protections	✗	Does state protect against payday lending?
	✗	Does state protect against car-title lending?
	✗	Does state protect against high-cost installment loans?
Retirement Security	✗	Has state enacted an Automatic-Enrollment Individual Retirement Account program?
	✗	Has state eliminated TANF asset test?
Savings Penalties in Public Benefit Programs	✗	Has state eliminated SNAP asset test?
	✓	Has state eliminated LIHEAP asset test?
State EITCs	✗	Has state enacted an EITC that is refundable and at least 15% of the federal credit?
Tax Fairness	✗	Does state have a progressive effective tax rate ?
Tax Prep Regulations	✗	Does state regulate paid tax preparers?
Individual Development Accounts	✗	Does state provide funding for IDAs?

Businesses & Jobs 0 OF 4 POLICIES ADOPTED

Minimum Wage	✗	Will state's minimum wage be at least \$15 by 2024 or is it indexed for inflation?
	✗	Are agricultural, domestic and tipped workers covered by state's minimum wage?
Paid Leave	✗	Does state require employers to offer paid medical, family or sick leave?
	✗	Does state expand FMLA to cover more workers?

Homeownership & Housing 4 OF 7 POLICIES ADOPTED

First-Time Homebuyer Assistance	✓	Does state provide downpayment assistance through grants, second mortgages or resources financed with premium bonds?
	✓	Does state offer direct lending programs to first-time homebuyers?
	✓	Does state fund homeownership counseling?
Property Tax Relief	✗	Does the state provide property tax relief via a well-targeted circuit breaker?
Protection from Discrimination for Low-Income Renters	✗	Does state protect Section 8 voucher-holders[br]from discrimination in the housing market?
Resident Ownership, Titling and Zoning of Manufactured Homes	✗	Does state encourage resident ownership of manufactured home communities via an effective pre-sale notice, tax incentive or both?
	✓	Does state's titling or zoning laws treat manufactured homes the same as site-built homes?

Health Care 0 OF 1 POLICIES ADOPTED

Medicaid Expansion	✗	Has state expanded Medicaid to at least 138% or more of federal poverty level?
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Education 2 OF 3 POLICIES ADOPTED

Children's Savings Accounts	✗	Does state offer a universal, automatic CSA program with an incentive?
In-State Tuition for Undocumented Students	✓	Does state extend in-state tuition to undocumented students?
Targeted Financial Aid for Postsecondary Education	✓	Is state financial aid targeted to high-need students?

TEXAS

DEMOGRAPHICS



POPULATION
28,304,596



HOUSEHOLDS
9,623,874

HOUSEHOLD INCOME QUINTILES

Lowest Quintile	\$0 to \$24,682
2nd Quintile	\$24,683 to \$46,633
3rd Quintile	\$46,634 to \$74,023
4th Quintile	\$74,024 to \$119,599
Highest Quintile	Over \$119,599

MEDIAN HOUSEHOLD INCOME **\$59,206**

White	\$72,361
Black	\$45,092
Asian	\$84,100
Latino	\$46,855
Native	\$53,103
NHPI	\$43,428
Two or More	\$57,091
Other	\$42,754

RACE AND ETHNICITY (% OF POPULATION)

White	42.0%
Black	12.0%
Asian	5.0%
Latino	39.0%
Native	n/a
NHPI	n/a
Two or More	2.0%
Other	n/a

AGE (% OF THE POPULATION)

Under 18	26.0%
18 to 24	10.0%
25 to 44	28.0%
45 to 64	24.0%
65 and Over	12.0%

PEOPLE WITH A DISABILITY **11.0%**

PROSPERITY NOW COMMUNITY

Prosperity Now is committed to continuing our support of and partnerships with our movement of committed advocates and practitioners seeking to create a clear path to financial stability, wealth and prosperity. The Prosperity Now Community expands our reach, creates strong connections between those in our community and mobilizes advocates to create lasting social change.

The Prosperity Now Community facilitates learning, creates connections and inspires action to create and improve programs and policies that foster opportunity, especially for those who have not had it before. Our unwavering commitment to creating prosperity includes efforts on a wide range of issues, such as consumer protections, equity in the tax code, increasing affordable housing and removing barriers to saving and building wealth.

To Join the Community, visit prosperitynow.org/get-involved

COMMUNITY CHAMPIONS IN TEXAS

RAISE Texas — Austin, TX

The Houston Area Urban League — Houston, TX

United Way of Greater Houston — Houston, TX

United Way of Metropolitan Dallas — Dallas, TX

WiNGS — Dallas, TX

ABOUT PROSPERITY NOW



Prosperity Now (formerly CFED) believes that everyone deserves a chance to prosper. Since 1979, we have helped make it possible for millions of people, especially people of color and those of limited incomes, to achieve financial security, stability and, ultimately, prosperity. We offer a unique combination of scalable practical solutions, in-depth research and proven policy solutions, all aimed at building wealth for those who need it most.