

## Reference List CollegeBound Boost Launch Infographic

### Key CSA Principles

- Eligibility for all
- Automatic Enrollment
- Start Young
- Targeted Additional Deposits
- Centralized Savings Plan
- Investment Growth
- Simplified Investment Options

What makes CSAs the ideal vehicle for combining income and asset approaches to elevating poverty is their ability to complement efforts to reduce inequality in early education, facilitate college completion, and improve post-college financial health.

*Sherraden, Clancy, & Beverly (2018). Taking child development accounts to scale: Ten key policy design elements. Washington University in St. Louis, Center for Social Development.*

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**Guaranteed Income** - Income Volatility 1.5X less income volatility

**Guaranteed Income** - Find Full-Time Employment 12% increase in full-time employment from 2019-2020 from 28% to 40%

Also improves **emotional health**

and **reduced financial scarcity**

Income acts as a launch pad. It cannot propel kids into the future but is necessary if they are ever to launch from where they started in life.

*West, Baker, Samra, & Coltrera (2021). Preliminary Analysis: SEED's First Year.*

*Stockton, CA: Stockton Economic Empowerment Demonstration.*

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### **Ongoing deposits/assets:**

A \$1 increase translates to a \$5 increase in wealth for Whites, but only a 70¢ increase in wealth for Black families

However, when Black families start off with similar levels of assets, they have a return of \$4.03

Baby Bonds Proposals reduce Black/White wealth gap from about 15.9X to 1.4X

Americans who move from the bottom of the income ladder had 6X higher median liquid savings, 8X higher median wealth, and 21X higher median home equity than those who remained at the bottom.

Assets are the engine that propels children up the economic ladder and into the future. Assets allow children to think about and act today with their future selves as their goal.

*Pew Charitable Trust. (2013). Moving on up: Why do some Americans leave the*

*bottom of the economic ladder, but not others? Washington, DC.*

*Zewde (2019). Universal baby bonds reduce black-white wealth inequality, progressively raise net worth of all young adults. New York, NY: Center on Poverty and Social Policy.*

*Shapiro, T. M, Meschede, T., & Osoro, S. (2013). Widening roots of the racial wealth gap: Explaining the black-white economic divide. Institute on Assets and Social Policy, (IASP) Brandeis University.*