



A good, stable income is the first step toward financial stability, and by that measure, our economy is failing low- and moderate-income families. Without a decent income, accumulating savings is nearly impossible, leaving families with no ability to plan for the future or contend with a financial emergency. These financial emergencies are not uncommon; 6 out of 10 households reported experiencing a financial shock, such as income loss or a major unexpected expense, in the last year.

## IDAHO AT A GLANCE:\*

- **14%** of Idaho households live in **income poverty**

*Income poverty is a fundamental indicator of financial insecurity and instability. If a household's total income is below the poverty threshold, then they are considered poor.*

- **30%** of Idaho households are **asset poor**

*Asset poverty is a measure of a household's net worth that would need to be liquidated to help cover basic expenses for three months to weather a financial crisis.*

- **46%** of Idaho households are **liquid asset poor**

*Liquid asset poverty is a measure of the liquid savings households hold to cover day-to-day expenses for three months if they experienced a sudden financial crisis leading to a loss of stable income.*

- **1 in 4** Idaho households does not have a savings account

*Savings accounts are one of the most basic asset-accumulation tools. Without a savings account, households hit many barriers to climbing the economic ladder and are often ill-prepared to weather a financial shock, like a serious illness.*

## Idaho Households Living in Poverty\*



Research has found that households with assets are much less likely to suffer serious hardships in the event of an emergency. Having savings can help families better weather an economic setback and can ensure that a household will not lose key wealth building vehicles, such as a home or business.

Credit is an important asset, and good credit opens the door to safe and affordable capital, which helps consumers weather emergencies and build assets. Without prime, or good, credit scores, consumers pay higher interest rates than other consumers on everything from credit cards to car loans to mortgages.



**OF IDAHO  
CREDIT  
USERS HAVE  
PRIME CREDIT  
SCORES (720+)\***

\*Source: CFED Assets & Opportunity Scorecard



**Idaho Asset  
Building Network**

*In partnership with Idaho Voices for Children*

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Business ownership and job quality play an important role in helping families earn income and build wealth over time. Earned income is the single most important contributing factor to a household's ability to save money, access affordable credit and build assets, while business equity is second only to homeownership nationally as a share of household wealth.

## IDAHO AT A GLANCE:\*

- Idaho is a **leader** in finding solutions to address the need to connect middle-skilled laborers to employers

*Idaho is 1 of only 10 states that provide funding, technical assistance, and include sector partnerships in workforce development program initiatives to improve middle-skill jobs, which, according to the National Skills Coalition, make up the largest share of the labor market.*

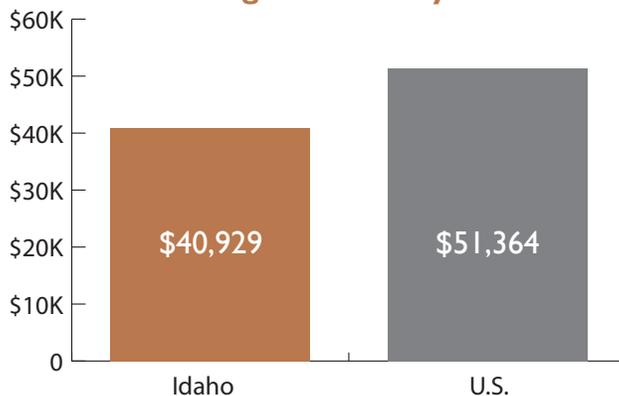
- **29%** of jobs in Idaho are low-wage (37<sup>th</sup> in the U.S.)

*Low-wage jobs have median annual pay below 100% poverty threshold for a family of four (\$23,624). Wage rates are one of the most important aspects of job quality, and jobs with low wages tend to lack other important benefits such as health insurance, paid sick leave, and paid vacation.*

- Only **1.6%** of the labor force in Idaho owns a small business

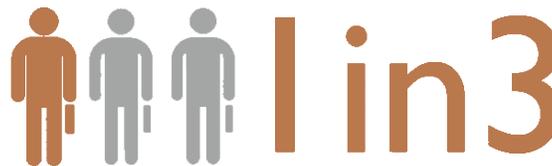
*Small businesses drive the economy—they employ more than half of the private sector workforce and serve as an engine for job creation. The higher the business ownership rate in a state, the higher the percentage of residents who have the opportunity to build wealth through business capital accumulation.*

## Average Annual Pay\*



Idaho's average annual pay is \$40,929 (50<sup>th</sup> in the U.S.)

Idaho's unemployment rate has been steadily dropping for 7 years and currently is at 4.2%. Despite the fact that an increasing number in Idaho are working full-time, many are earning an income that does not pay enough to lift their family out of poverty. Earning an adequate salary makes it possible for families to make ends meet, pay down debt, and save for and invest in the future.



**Jobs in Idaho is LOW WAGE\***

\*Source: CFED Assets & Opportunity Scorecard



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Homeownership has always been an essential ingredient in the American dream and is one of the most important means by which low-income households can build wealth. For those that are not ready or able to buy a home, access to affordable, high-quality housing is essential. Whether owning or renting, having a safe, affordable place to live provides physical and financial security.

## IDAHO AT A GLANCE:\*

- **47%** of Idaho renters and **27%** of Idaho homeowners are “cost-burdened renters”

*When household expenses (i.e. rent and utilities) exceed 30% of household income, the household unit is classified as “cost-burdened” and is at risk of eviction or homelessness if it suffers a decline in income.*

- Median home values in Idaho are **3.5 times** greater than median household income: **\$165,300 vs. \$47,861**

*In areas where housing values are high relative to income, many prospective homeowners are priced out of the market, prohibiting them from building home equity. Whereas high housing values benefit those who already own their homes, a high ratio of housing value-to-wages typically makes it less likely that someone can afford to purchase a home.*

- Most Idaho communities have **few low-income rental units available** and housing vouchers have long **waitlists**

*For example, Ada County has a 2.6% vacancy rate for apartments and homes; Canyon County’s rate is 2.7%. Even if a family qualifies for a housing voucher, in Ada County they must be put on a waitlist which currently has 800 families on it. The wait can be years (Idaho Housing & Finance Association).*

\*Source: CFED Assets & Opportunity Scorecard

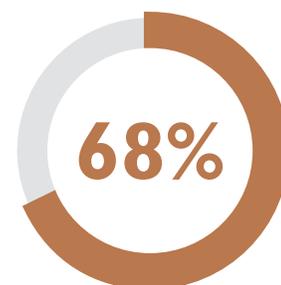
## Percentage of Idaho Renters & Homeowners Who are Cost-Burdened\*



Although declining foreclosure rates may seem like an indicator of market stabilization, the reality is that many who experienced foreclosure are not returning to homeownership.

Without affordable homeownership as an option, households turn to renting, but in many places, renting doesn’t equate to saving money on housing costs.

## Homeownership Rate in Idaho\*



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For four years in a row, high school and college graduation rates have increased across the country. However, there remains a sizeable achievement gap between white students and students of color as well as students who are financially well-off and low-income students. A level playing field for education must begin with equitable investments in education access and funding.

## IDAHO AT A GLANCE:\*

- **25%** of Idaho adults have at least a 4 year degree; the average college graduate debt is **\$26,069**

*Generally, higher earnings increase the propensity to save and to accumulate assets. Many students must take out student loans in order to afford postsecondary education, but these loans can be a challenge to pay back.*

- Children with a savings account dedicated for college are **4-6 times** more likely to attend college than children without savings

*One way to make postsecondary education more affordable and increase participation by lower-income individuals is to help families save for college in Children's Savings Accounts.*

- Idaho's high school graduation rate is **77%**, compared to the U.S. rate of **82%**

*As the economy continues to evolve, educational attainment has become more important than ever. Graduation rates offer insight into how well a state prepares its students to transition to college and move into the workplace.*

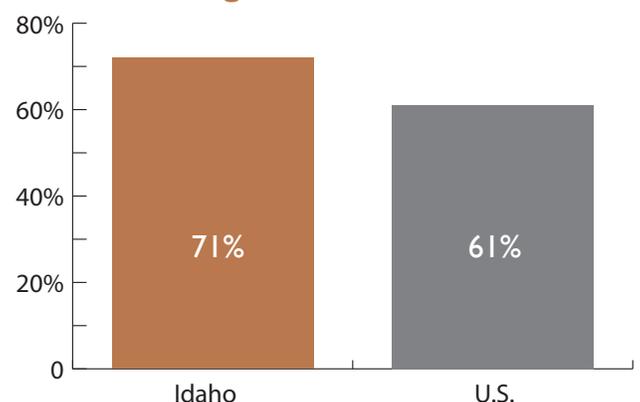
\*Source: CFED Assets & Opportunity Scorecard

## Idaho High School and College Graduation Rates\*



Those with a college degree earn more and accumulate more wealth over time than those with just a high school diploma. In families where the head of household has a college degree, their net worth is more than four times that of families whose head of household has only a high school diploma.

## College Graduates with Debt\*



71% of Idaho College Graduates Have Student Loan Debt



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