

# STATE RATINGS: MARYLAND



expanding economic opportunity

## 2007-2008 ASSETS & OPPORTUNITY SCORECARD













### OVERVIEW

With an overall C grade on the 2007-2008 *Assets and Opportunity Scorecard*, Maryland's asset landscape is characterized by some outstanding features, both good and bad. Household net worth for the state's residents is higher than most other states' (ranked 7<sup>th</sup> among the states), but disparities persist (29<sup>th</sup> in household asset equality by gender, with the net worth of households headed by men being more than twice that of households headed by women). The Free State should be lauded, however, for relatively low racial inequality in asset poverty and asset equality (2<sup>nd</sup> and 7<sup>th</sup>, respectively). Business ownership among women (13<sup>th</sup>), African Americans (5<sup>th</sup>), Hispanics (5<sup>th</sup>), and American Indians/ Native Alaskans (3<sup>rd</sup>) is strong, although the value of women- and minority-owned businesses tends to be relatively low. And despite the laudable rates of business ownership among the groups mentioned above, the state's overall business ownership rate is lackluster (42<sup>nd</sup>). Many Maryland residents hold four-year college degrees (3<sup>rd</sup>) and have jobs that provide important asset-protecting benefits like health insurance (8<sup>th</sup> in employer-sponsored insurance). However, debt is among the highest in the country (48<sup>th</sup> in median credit card debt, 45<sup>th</sup> in median installment debt, and 46<sup>th</sup> in median mortgage debt), suggesting that many Maryland residents are living beyond their means and are at risk of losing whatever assets they have managed to build.

### WHAT MARYLAND CAN DO

Among the variety of asset policies that Maryland can implement to create a positive environment in which to build and protect wealth, the state has created a housing trust fund with a dedicated source of revenue, and it has raised its asset limits for some public assistance programs. Still, more can be done. The state could address its shortcomings in small business development by providing funding for microenterprise programs and by supporting community development financial institutions (CDFIs). Maryland can help low-income families build assets by funding individual development accounts (IDAs), and it can help families protect those assets by improving policies to curb predatory lending and by expanding public health care coverage, which helps protect against medical bankruptcy. The state might address its middling performance in education by increasing fairness in school spending across districts, by increasing pre-school funding and standards, and by creating incentives for low-income families to save for college.

### CORE POLICY RATINGS

-  Asset Limits in Public Benefit Programs
-  Housing Trust Fund
-  Incentives for College Savings
-  Microenterprise Support\*
-  Curbing Predatory Lending
-  Expanded Coverage for Medicaid and SCHIP
-  State Earned Income Tax Credit
-  School Spending Fairness\*
-  Support for Community Development Lenders\*
-  State Supported Preschool\*\*\*
-  Support for IDA Programs
-  Tax Expenditure Report\*\*

-  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

For a complete description of all 2007-2008 *Assets & Opportunity Scorecard* measures, including the 12 policies that the Scorecard highlights, information on 26 other asset policies and 46 outcome measures, and how the ratings and rankings were computed, please go to [www.cfed.org/go/scorecard](http://www.cfed.org/go/scorecard).

- \* Maximum possible rating is 50%
- \*\* Maximum possible rating is 25%
- \*\*\* Maximum possible rating is 75%

**MARYLAND**

**OVERALL OUTCOME GRADE: C**

**FINANCIAL SECURITY**

**OUTCOME GRADE: B**

**OUTCOME MEASURE ..... RANKING**  
(among the 50 states plus DC)

Net Worth of Households .....	7
Asset Poverty .....	14
Asset Poverty by Race .....	2
Asset Poverty by Gender .....	38
Household Asset Equality by Race .....	7
Household Asset Equality by Gender .....	29
Households with Zero or Negative Net Worth .....	14

Banked: Households with Non-Interest-bearing Accounts .....	17
Banked: Households with Interest-bearing Accounts .....	10
Bankruptcy Rates .....	25
Subprime Loans .....	28
Median Credit Card Debt .....	48
Median Installment Debt .....	45

**BUSINESS DEVELOPMENT**

**OUTCOME GRADE: C**

Small Business Ownership .....	42
Private Loans to Small Businesses .....	46
Microenterprise Ownership .....	25
Women's Business Ownership Rate .....	13
African-American Business Ownership Rate .....	5
Hispanic Business Ownership Rate .....	5
American Indian-Native Alaskan Business Ownership Rate .....	3
Asian Business Ownership Rate .....	14

Hawaiian-Pacific Islander Business Ownership Rate .....	43
Women Owned Business Value .....	35
African-American Owned Business Value .....	38
Hispanic Owned Business Value .....	30
American Indian-Native Alaskan Owned Business Value .....	27
Asian Owned Business Value .....	26
Hawaiian-Pacific Islander Owned Business Value .....	n/a

**HOMEOWNERSHIP**

**OUTCOME GRADE: C**

Affordability of Homes .....	31
Homeownership Rate .....	25
Homeownership by Race .....	23
Homeownership by Income .....	40

Homeownership by Gender .....	24
Foreclosure Rate .....	10
Median Mortgage Debt .....	46

**HEALTH CARE**

**OUTCOME GRADE: C**

Employer-Sponsored Insurance .....	8
Uninsured Low-Income Children .....	35

Low-Income Parents Without Insurance .....	42
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**EDUCATION**

**OUTCOME GRADE: C**

Head Start Coverage .....	36
Math Proficiency - 8th Grade .....	28
Reading Proficiency - 8th Grade .....	28
Two Years of College .....	44

Four Years of College .....	3
Degrees by Race .....	18
Degrees by Income .....	24
Degrees by Gender .....	29

For each measure, the state with the most desirable outcome is ranked 1st, and the least desirable is ranked 51st.