



FINANCIAL EMPOWERMENT NETWORK
change*counts!*[™]



2021 Coalition-Building Learning Series

This webinar is being recorded.

Your host for today's session is Michael Dotson, Banner Bank



WELCOME!

This webinar is being recorded.



FINANCIAL EMPOWERMENT NETWORK
change counts!™



2021 Coalition-Building Learning Series (1 of 4)

The series' objective is to offer local and national coalitions resources and knowledge for leadership development, sustainability, and succession planning.



Coalition Building: A Look at Funding
Rocio Rodarte, Policy and Communication Manager
Mission Asset Fund

This webinar is being recorded.



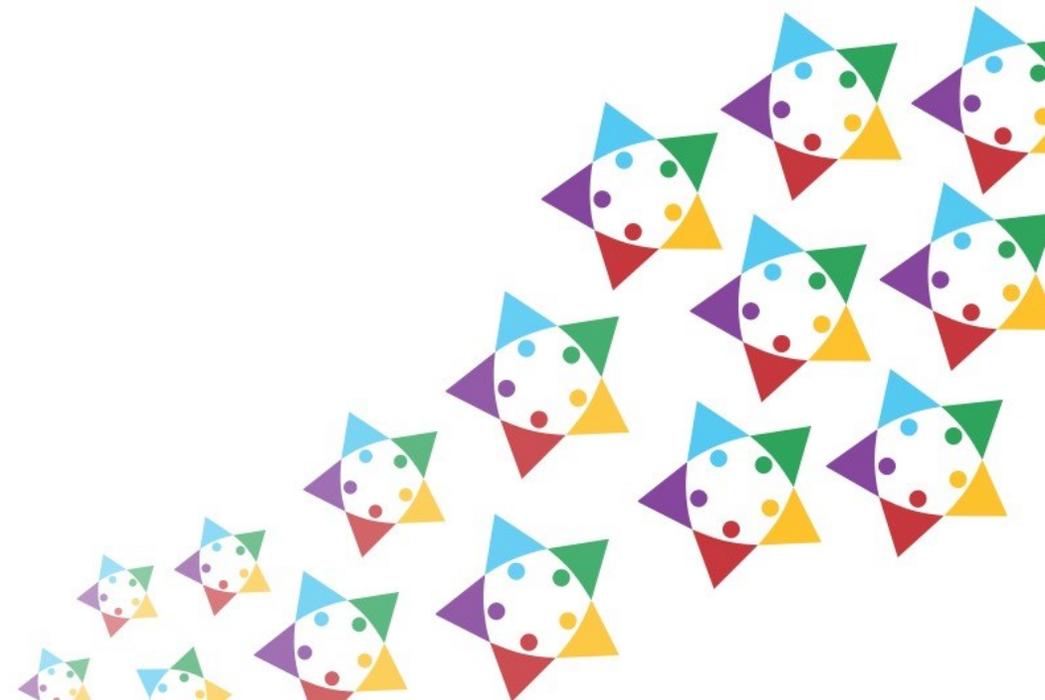


Mission Asset Fund (MAF) Presents: SB 455 CA FINANCIAL EMPOWERMENT FUND



Today's overview

- Who We Are
- Why SB 455?
- Work Ahead
- Q&A





We are on a mission
to help people become

visible, active, and successful

Living in the financial shadows

INVISIBLE



1 in 5 adults are invisible
to the financial
mainstream

STUCK



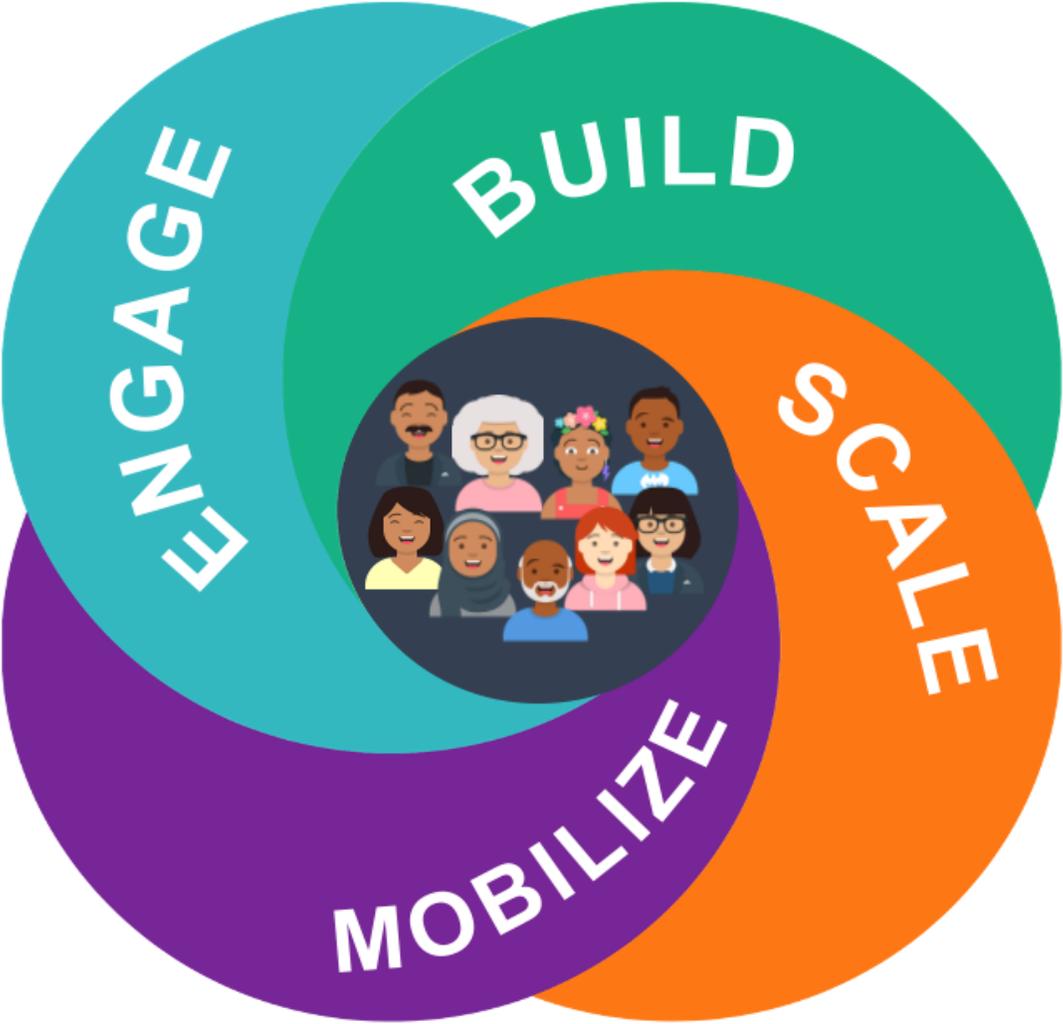
40 years of wage
stagnation

STRAPPED



9.5% of income spent on
fees and interest

A community-centered approach



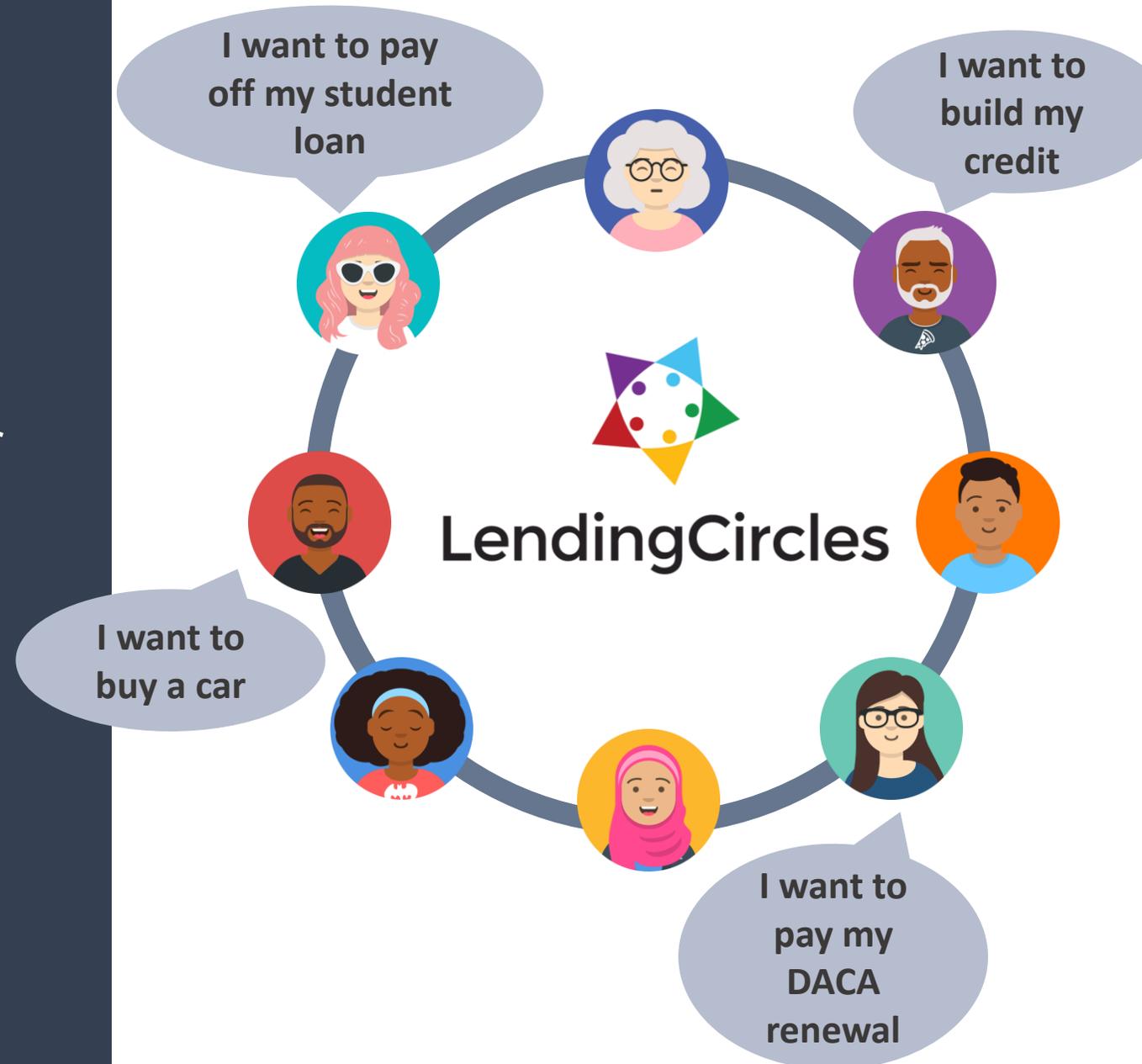
Lending Circles

Recognize & formalize
an existing cultural practice

Give credit where credit is due
by reporting payment activity to all 3 major
credit bureaus

Responsible & safe social loans
with required financial education and 0%
interest loans

Accessible & relevant
through electronic payments & technology



Social Loan Programs



IMMIGRATION LOANS

0% interest, credit-building loans that help finance

- ✓ DACA
- ✓ U.S. Citizenship
- ✓ Green Cards + other USCIS applications

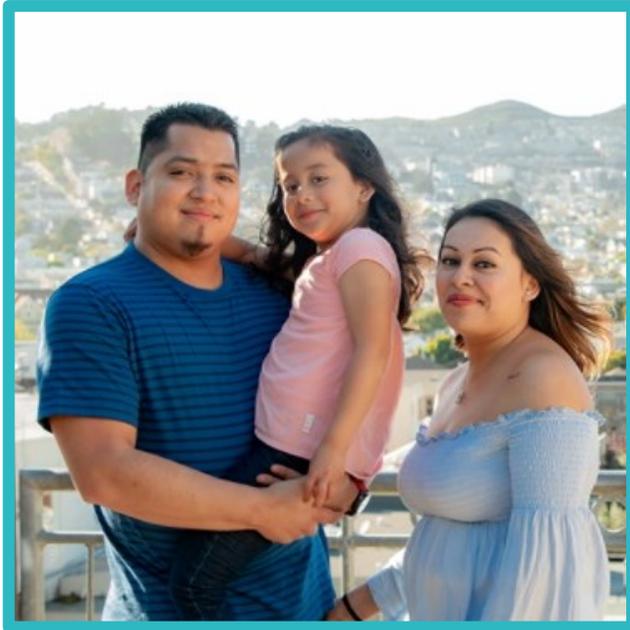


BUSINESS LOANS

0% interest, credit-building loans to help entrepreneurs

- ✓ Start their business
- ✓ Formalize their business
- ✓ Grow their business

MAF's Rapid Response Fund



Immigrant Families

Families who aren't eligible to receive a federal stimulus check and lost income.



College Students

Undergraduate students at CA public colleges who demonstrate financial need.



LA Creatives

Creatives between 18 and 30 in Los Angeles who lost a significant share of income.

COVID-19 Rapid Respond Fund



Direct Cash Grants: \$500 grants to students, creatives, and immigrant families left out of federal relief. No repayments.



COVID-19 Resources Finder: connects people directly to resources that they may be eligible for.



Emergency Bridge Loans: 0-interest loans for small business owners. No repayments due for 6 months.

MAF's Impact



\$11M
In 0% Interest
Loans



99.3%
Repayment Rate



168
Average Credit
Score Increase



50,000+
Grants
Distributed



Why the CA Financial Empowerment Fund?

SB 455: CA Financial Empowerment Fund



- Created and endowed the CA Financial Empowerment Fund with \$4M using civil penalty funds
- Fund grants \$1M each year to CA nonprofits delivering effective financial education and empowerment tools
- Sunsets in January 1, 2025

Californian's rely on high cost financial services



25% of California households are either unbanked or underbanked.

MAF sponsored SB 455 to help Californians who face systemic barriers improve their financial lives.

1.7M California consumers took out \$2.9 billion in payday loans in 2017.

\$10,500 the average credit card debt that Californian consumers carry, the fourth highest in the nation.

9.5% of income spent on fees and interest

Many Californians rely on high-cost financial products and services to meet their pressing financial needs.

Precedent from CFPB



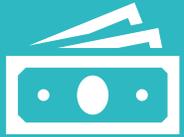
Civil Penalty Fund

Five Principles to Effective Financial Education

SB 455 supporters



CA Financial Empowerment Fund key provisions



FUNDING: Grants up to \$100,000/nonprofit for financial education



STANDARDS: CFPB's 5 principles of effective financial education



IMPACT: Improve credit, increase savings, lower debt

Funding for SB 455

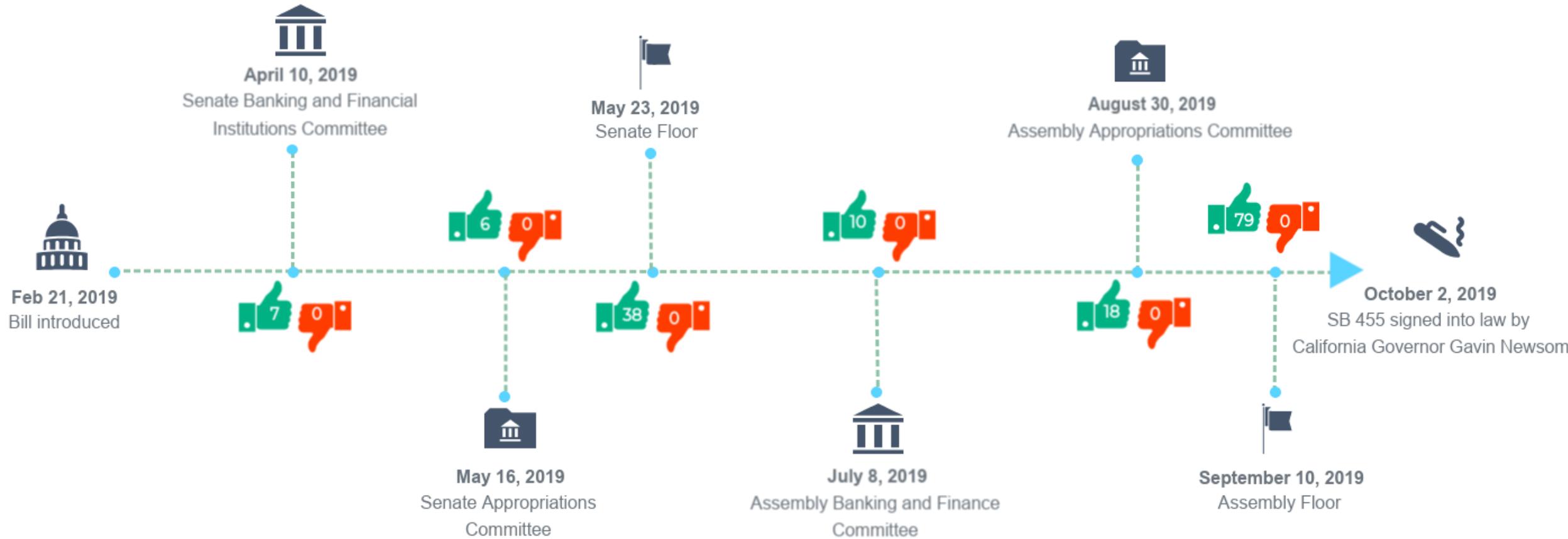


Comes from the State Corporation Fund within the CA Department of Financial Protection and Innovation

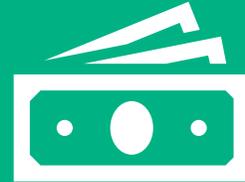


\$1 million/year for 4 years

SB 455 legislative timeline



SB 455 Today



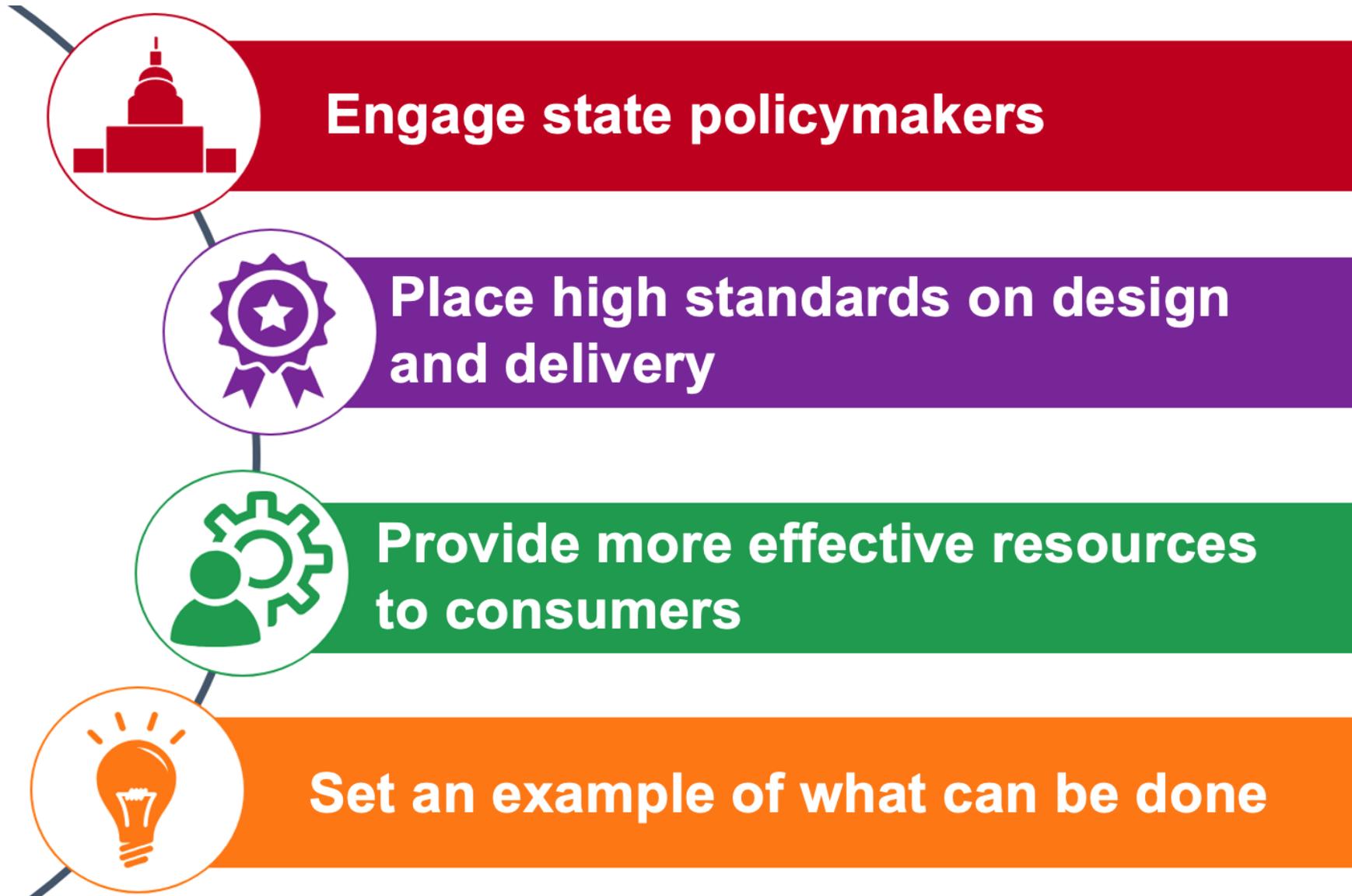
Now known as the
CalMoneySmart Program



New CA Department of
Financial Protection and
Innovation

Work Ahead

Why SB 455 matters



More systems change



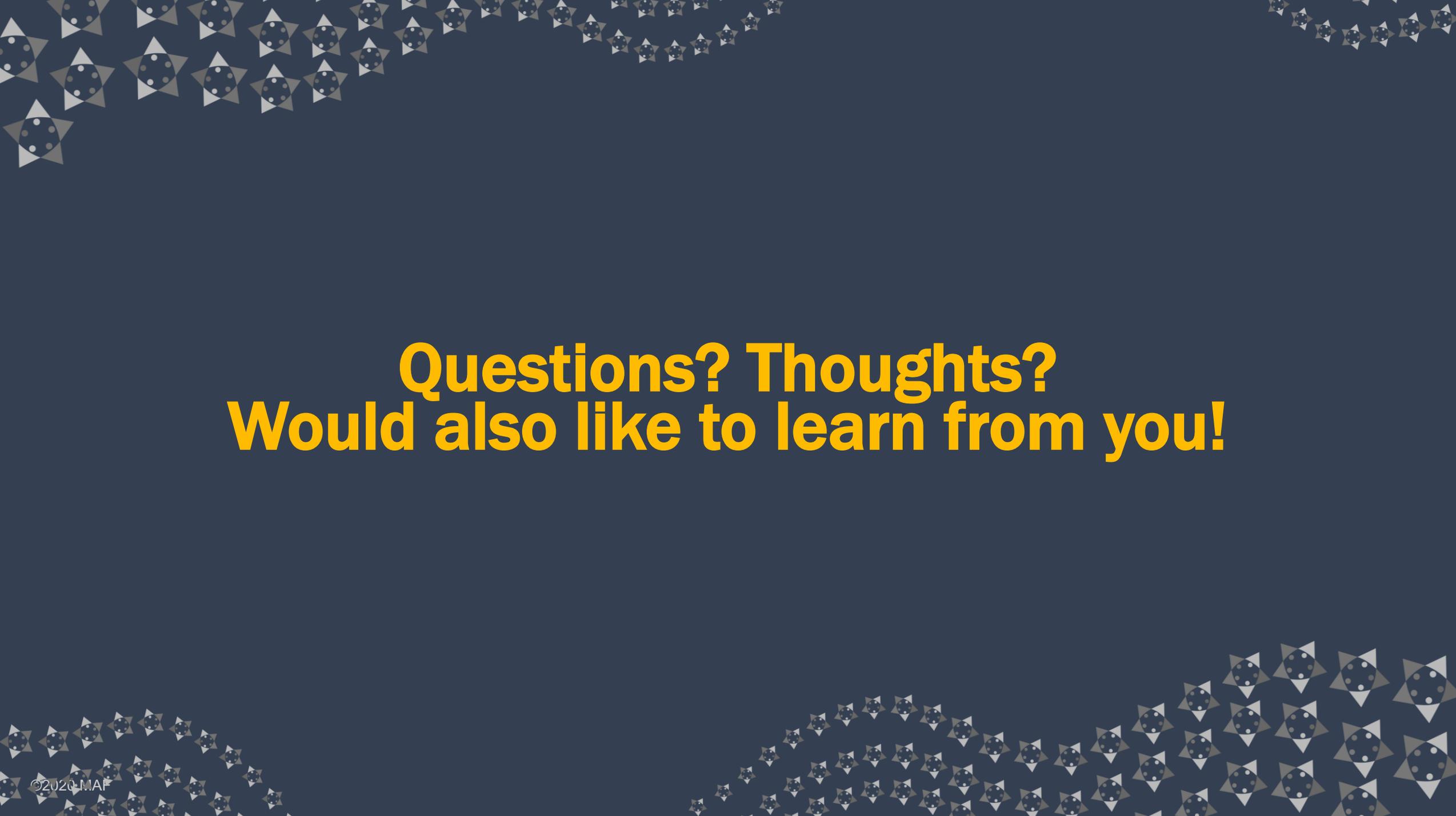
More funding



More partnerships



More state & federal policies



**Questions? Thoughts?
Would also like to learn from you!**

Thank you!

