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https://www.stlouisfed.org/publications/bridges/fall-2018/building-a-skilled-workforce-for-a-stronger-southern-economy

Building a Skilled Workforce for a Stronger Southern Economy

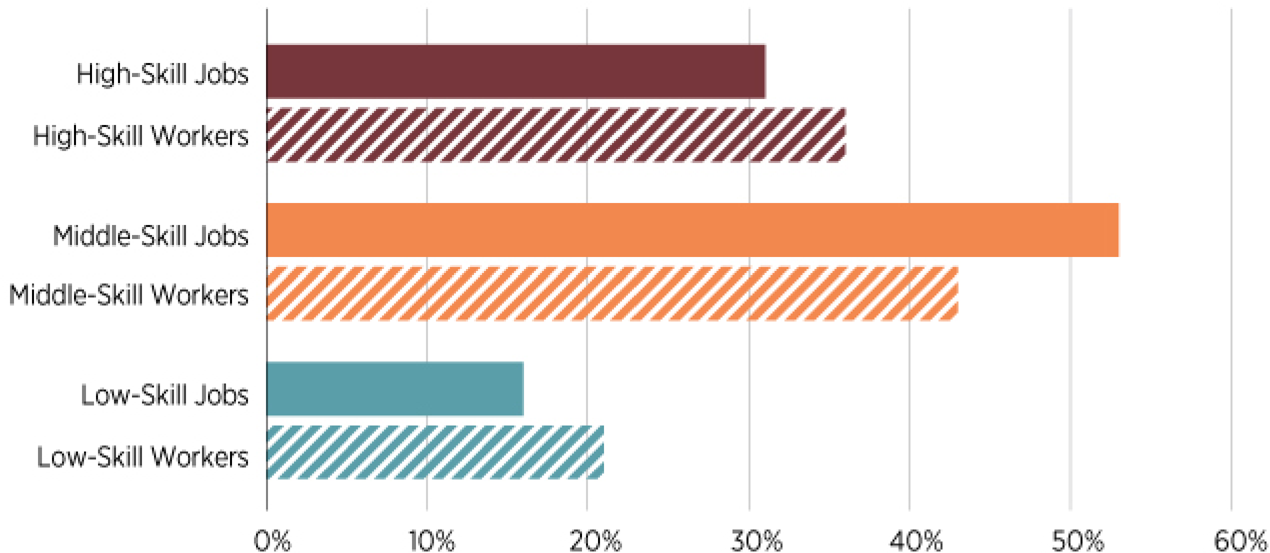
Melissa Johnson

A new day has dawned in the South. No longer is a high school education and a willingness to work hard sufficient to secure a family-supporting job. In fact, the majority of all jobs in the U.S. labor market require some postsecondary education or training. To effectively compete in today's marketplace, states must have skilled workforces.

For the southern U.S.—including states within the Eighth Federal Reserve District—this new environment requires a shift, according to a recent report co-authored by the Federal Reserve Banks of Atlanta and St. Louis and the National Skills Coalition. Economies once built on low-skill industries must now compete globally for jobs that require training beyond high school. Most of these jobs are middle-skill jobs, requiring education or training beyond high school but not a four-year college degree.

Across the South, there are not enough workers trained to fill middle-skill jobs. This skills gap hurts businesses that are not able to fill positions. It hurts states because the lack of skilled workers makes it challenging to attract and retain new businesses. And the skills gap hurts low-wage, low-skill workers who are not able to advance their careers and move into good, middle-skill jobs.

At a series of recent meetings in Little Rock, Ark., the St. Louis Fed and the National Skills Coalition highlighted how this middle-skill gap plays out in Arkansas. In presentations to community college leaders, members of the Little Rock Chamber of Commerce and a legislative task force on workforce education excellence, it was stated that nearly 60 percent of Arkansas' jobs are middle-skill jobs while less than half of workers are trained to that level.



Source: NSC Analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015, and American Community Survey data, 2015.

This middle-skill gap, however, isn't insurmountable. As explained in the aforementioned *Building a Skilled Workforce for a Stronger Southern Economy* report, southern states could step up to the challenge of educating more of the region's adults to close this gap. Focusing on grade school students alone won't be enough to close the skills gap now. If each and every one of the South's graduating high school students were to stay in the region and train for open jobs that require postsecondary education, there would still be unfilled positions.

Southern efforts to educate and train more of the region's adults must include all adults, including people of color. More than four in 10 Southerners are people of color, and even in states like Arkansas where people of color make up a lower share of the population, their significance should not be understated. More than one in four Arkansas residents are people of color, and their growth rates eclipse those of the current majority. Moreover, people of color will make up the majority of the U.S. population by 2044.

To close their skills gaps, southern states must also address people's barriers to work. The history, geography and policy decisions of the South help create obstacles that prevent people from working, building their skills and advancing their careers. These barriers include higher poverty rates, burdensome transportation costs, onerous child care costs, high incarceration rates and restrictive policies for previously incarcerated people. These obstacles can be even more daunting in rural areas, where there may be additional challenges like limited job openings and limited broadband service.

In our presentations across Arkansas, we heard from business executives, legislators and local leaders about how these barriers and more play out in the state. Significant poverty intensifies other challenges to education and training like high child-care costs. Additionally, the opioid crisis contributes to many adults not furthering their education, and some leaders in Arkansas' rural areas fear "brain drain" while also identifying and promoting resident industries in need of skilled workers.

The Roadmap for Southern Skill Building

To help states address some of these barriers, close their skills gaps and realize economic improvement, the *Building a Skilled Workforce for a Stronger Southern Economy* report includes a roadmap of critical steps states may take. State policymakers could:

- Use workforce development strategies, such as sector partnerships and work-based learning, as economic development tools capable of meeting industry needs.
- Invest in communities to implement high-quality workforce development strategies at the local level.
- Establish job-driven financial aid programs that are available to a wide range of students.
- Form career pathways and include comprehensive supportive services that enable completion.
- Create state data systems that provide accountability on how training programs are helping residents with diverse needs get skilled jobs.

State policymakers could also consider easing the path to implementing these steps by taking the following actions, which could help bring a broad set of stakeholders to the table to unite around a common plan for skills development:

- Set a bold goal for increasing the number of adults trained for skilled jobs.
- Create a cross-agency "skills cabinet," and task agency leaders with working together to develop and implement a strategy for meeting a state's postsecondary attainment goal for adults.

The *Building a Skilled Workforce for a Stronger Southern Economy* report also includes example policies from southern states illustrating each step of this roadmap, proving that these policy changes may be implemented in the region's context. One example not included in the report but surfaced in preparation for the Little Rock presentations was the budding sector partnership in Sevier County, Ark. In Sevier County, the community college, judge's office, rural development authority and county industrial board all pay the salary of the Sevier County economic development director, who has helped residents identify their goals for the county, including strengthening its workforce.

In conjunction with these efforts, the local community college has developed and launched an industrial maintenance institute to focus on filling the skills gap in industrial maintenance technologies. Local industries have helped to develop and fund the program designed to help high school and college students build the many different competencies needed to excel at industrial maintenance. The program is projected to produce over 50 graduates per year in the relatively high-wage field of industrial maintenance.

Over the next year, the National Skills Coalition will work intensely with partners in Georgia, North Carolina, Tennessee, Texas and Mississippi to lift up similar examples of smart policy in action and advance state policies that help workers and businesses in those states to get the skills they need to compete. In Tennessee in particular, the National Skills Coalition will identify policies that address the nonacademic and advising needs of working students so they can succeed in postsecondary training, as well as opportunities to promote apprenticeship, work-based learning and postsecondary training that responds to industry needs. Partner organizations include Complete Tennessee and the Nashville Chamber of Commerce. In Mississippi, the National Skills Coalition will discuss policies that help more parents build their skills while supporting their families by providing child care assistance to workers in pre-apprenticeship and apprenticeship programs. Partner organizations include the Mississippi Low-Income Child Care Initiative and the Moore Community House Women in Construction Program.

To help them thrive now and in the future, residents, businesses and state economies are counting on their leaders to adopt smart workforce development policies on the state level. Southern state leaders should examine and consider taking the necessary steps to meet this challenge and close their skills gaps.

Melissa Johnson is a senior state policy analyst with the National Skills Coalition.

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Workforce Development, the Opioid Epidemic in Arkansas and a Potential CRA Opportunity for Banks

Caleb Bobo , Sam Evans

Workforce development efforts often draw bipartisan and cross-sector support. Policymakers and business leaders recognize there are real economic and social benefits to having a workforce prepared for the jobs of today and tomorrow. In the South, attention is particularly focused on this issue as communities compete with population centers on the coasts for both talent and employers.

Major corporations, local governments, educational institutions and others throughout Arkansas have worked diligently to build academic programs that fit area and industry needs. They have also worked with local nonprofits to ease transportation, child care and income barriers that often prevent men and women from engaging in workforce development opportunities. However, stakeholders seeking to prepare the next generation of Arkansas workers may be missing one critical component.

A recent study[1] from a nonpartisan think tank finds the volume of harmful, addictive prescription drugs per capita increased in Arkansas by 21 percent annually between 1999 and 2015. Further, the rise of opioids is associated with a 3.8 percentage point decline in labor force participation (equaling about 43,400 workers) and a loss of 574 million work hours, costing the state $33.5 billion in gross domestic product. Together, that makes Arkansas and its economy one of the "most damaged by the opioid crisis" in the U.S.

Simply put, any strategy to strengthen Arkansas' workforce, and more generally the state's economy, may find benefit by including drug treatment within the programs. Some organizations in the state are doing just that.

Renewal Ranch is a faith-based recovery center for men in Central Arkansas. Formed in 2009, its program offers 12 months of drug and alcohol addiction support, housing, social services and employment assistance at no cost to its residents. When the organization first started, the majority of the men reaching out were seeking help with treating alcohol and methamphetamine addiction. Now, 60 percent of applicants want help with opioids.

Today, Renewal Ranch's work occurs in two phases. For the first six months, participants stay on Renewal's campus and attend classroom sessions that include basic job training and life-skill courses from local businesses and volunteers. In addition to classroom time, residents complete a number of service hours aimed at connecting participants to their community and to potential employers in the area.

The second six months includes intensive leadership and mentorship opportunities to further help the men develop personally, professionally, socially and spiritually. Since its inception, over 250 men have graduated from the program, with a supermajority either having received gainful employment or having sought to further their education.

Similarly, the Northeast Arkansas Regional Recovery Center (NEARRC) was launched in 1999 in response to the area's shortage of drug rehabilitation and recovery centers as highlighted through the Crowley's Ridge Development Council's (CDRC) needs assessment. Through a generous land donation by City Water and Light Jonesboro, CDRC was able to establish NEARRC, a 26-bed facility that serves both men and women battling drug use and abuse. It serves an eight-county area. Following the completion of a robust set of sobriety services, participants are advanced into CDRC's Connect Program, which provides assistance to those transitioning into a sober lifestyle.

One of the most important parts of Connect is that participants are assigned case managers, who provide assistance with finding educational opportunities or securing employment, among many other things. To ensure the success of CDRC's skill development and job readiness initiatives, case managers work closely with Goodwill Industries of Arkansas, Arkansas State University-Newport and the Northeast Arkansas Workforce Development Area.

Both Renewal Ranch and NEARRC utilize strategic partnerships to advance their respective programmatic and organizational goals. While banks may not seem like a natural partner in the workforce and drug addiction conversation, those financial institutions subject to Community Reinvestment Act (CRA) examinations may find engaging on this issue beneficial on multiple fronts.

A better trained workforce means more men and women finding stable employment, making them better candidates for personal banking and loan products. Moreover, a dynamic labor force is more likely to attract new employers, which could lead to new infrastructure- and construction-based investment opportunities in banks' assessment areas. Finally, efforts in initiatives that address both workforce development and the opioid crisis may be CRA eligible and be viewed by regulators as innovative, flexible, and/or responsive.

Over the next several years, few issues will likely be more important to the future of communities in Arkansas than handling the opioid epidemic. Organizations like Renewal Ranch and the NEARRC are confronting the problem head-on, working to ensure men and women are treated and ready to actively participate in the workforce both now and for years to come. As more endeavors like this come to fruition, banks have a unique opportunity to contribute to their communities, and their bottom line and their CRA rating all stand to benefit because of it.

Caleb Bobo is an assistant consumer affairs examiner, and Sam Evans is a community development advisor focusing on workforce development at the Federal Reserve Bank of St. Louis.

Endnotes

1. https://www.americanactionforum.org/project/opioid-state-summary/arkansas/ [back to text]

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CDAC Spotlight
Workforce Development Resources for Employers

Jay Bassett

Business retention is a major component of community development. States generally have economic development agencies often tasked with recruiting new employers to locations with larger populations.

However, there may be limited resources available to assist smaller, established employers in rural areas. State workforce development agencies may offer options to avert or delay business layoffs or closures, including subsidies for incumbent worker training. Eligible business owners may not be aware of the resources which may be available to them via their state workforce development agencies.

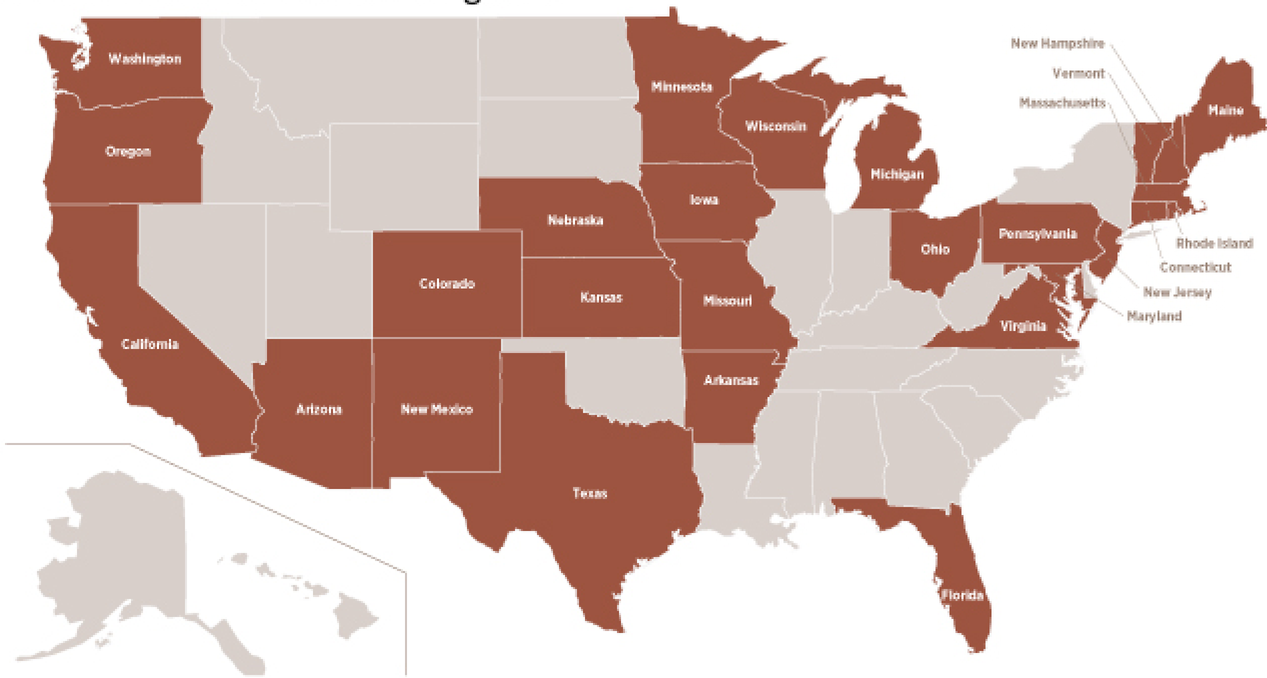
Shared Work Unemployment Compensation Program

The Shared Work Unemployment Compensation, Workshare or Job Sharing Program provides an alternative for employers faced with a reduction in workforce. It allows an employer to temporarily reduce employees' hours and divide available work, or hours of work, among specific groups of employees in lieu of layoffs. It allows the employees to receive a portion of their unemployment benefits while working reduced hours to partially replace their lost wages.

To qualify for benefits under the Shared Work (SW) Program, employees must be regularly employed by an employer whose plan to stabilize the workforce has been approved in advance by the state administrator of the program or an authorized representative.

Workshare programs benefit businesses, workers and states. Businesses retain their trained workforce for easy recall to full-time work when economic conditions improve. Workers keep their jobs instead of being laid off.

While not fully replacing the lost wages, the unemployment benefit supplements a worker's income until they are recalled to full-time work. States save money by paying only partial unemployment claims, instead of paying full benefits to laid-off workers.



*Per the National Conference of State Legislatures (NCSL).

Advantages:

- Production and quality levels are maintained.
- Rapid recovery to full capacity is possible because of the retention of an experienced work force.
- When the economic climate improves, administrative and training costs of hiring new employees are minimized.
- Affirmative action gains are protected.
- Employee morale is maintained.
- Employees retain their skills and advancement opportunities.
- Public assistance expenditures may be lessened.

Work Opportunity Tax Credit (WOTC)

WOTC is a federal tax credit that encourages employers to hire workers from targeted groups. The tax credit is designed to help job seekers gain on-the-job experience and move towards economic self-sufficiency, as well as help employers reduce their federal income tax liability. Currently, the maximum tax credit ranges from $1,200 to $9,600, depending on the employee hired.

The employer must hire from among the following groups of job seekers to qualify for the WOTC (subject to verification and compliance with additional eligibility criteria).

- Qualified IV-A recipient: This target group refers to an individual who is a member of a family receiving assistance under a state plan approved under Part A of Title IV of the Social Security Act relating to Temporary Assistance for Needy Families.
- Qualified veteran
- Qualified ex-felon

- Vocational rehabilitation referral
- Qualified summer youth
- Qualified food stamp recipient
- Supplemental security income (SSI) recipient: This target group refers to any individual who is certified by the designated local agency as receiving supplemental security income benefits under Title XVI of the Social Security Act for any month ending within the 60-day period ending on the hiring date.
- Long-term family assistance recipient
- Unemployed veterans
- Long-term unemployment recipient

Training Trust Fund and Incumbent Worker Training Programs

State workforce development agencies may administer Trust Fund or Incumbent Worker Training Programs providing innovative training support opportunities for qualified employers. The funds may be used to support employers in their efforts to provide training for prospective, new and incumbent workers. These monies may be used to help fill certain gaps in skills development training that may be otherwise unavailable.

Job Fairs and Employee Recruiting initiatives

State workforce development agencies may assist with coordinating job fairs on behalf of specific employers and may also assist with recruiting, interviewing and vetting potential job candidates.

Liquidation of Excess Assets/Negotiation of Municipal Rents or Utility Abatement

State workforce development agencies may be able to assist with liquidation of surplus equipment or supplies to generate needed cash. There may also be the possibility of renegotiating rents at municipally-owned facilities or negotiating reduced utility rates or deferred payment schedules.

For additional information on any of these programs, your state's workforce development agency should be able to serve as a resource.

CDAC Member Spotlight

Jay Bassett is the division chief for the Governor's Dislocated Worker Task Force with the Arkansas Department of Workforce Services (ADWS). He is responsible for organizing the Task Force services upon notification of a business layoff or closure and oversees the Trade Adjustment Assistance, Rapid Response and Reemployment Services programs. Bassett is also chairman of America's Job Link Alliance.

Prior to joining ADWS, he worked at Alltel Communications Inc. and Windstream Communications Inc. in the legal department and the federal and state regulatory compliance department with focus on risk management, legislative research/analysis and emergency response and preparedness plan development. He earned his law degree from the University of Arkansas at Little Rock William H. Bowen School of Law and has a bachelor's degree in history and psychology with a minor in English, also from UALR. He is also a graduate of the University of Central Arkansas' Community Development Institute. Bassett is a member of the Community Development Advisory Council (CDAC) for the Federal Reserve Bank of St. Louis.

CDAC members are experts in community and economic development and financial education. They complement the information developed through outreach by the District's Community Development staff and suggest ways that the Bank might support local efforts. A list of current members is available at https://www.stlouisfed.org/community-development/community-development-advisory-council.

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CRA: An Examiner's Perspective
Modernization of the CRA

Douglas Yarwood

This article is part of a series on CRA best practices from an examiner's perspective. Although this column focuses on CRA best practices for financial institutions, the content may provide insights to community development organizations working with financial institutions to meet credit and community development needs. As a disclaimer, this series is only meant to represent best practices; financial institutions should consider the information presented in context of the requirements or guidance of their primary regulator and the business needs of their financial institution.

Since the inception of the Community Reinvestment Act (CRA), bankers, nonprofits and individuals have expressed their views on how to change the act and its regulatory guidance (Interagency Questions and Answers Regarding Community Reinvestment). These views have included thoughts on the evaluation processes and ratings, the types of activities that should be counted, the delineations of assessment areas, the impact of technology on delivery of products and services, and other issues. Given these conversations and acknowledgements from various regulators that the law is in need of revision, the Office of the Comptroller of the Currency (OCC) recently initiated the process to attempt a revision.

On Aug. 28, the OCC published its Advance Notice of Proposed Rulemaking (ANPR), which had input from both the Federal Deposit Insurance Corp. and the Federal Reserve. This action started the initial 75-day comment period on ways to modernize the regulatory framework for implementing the CRA.

The goal of this ANPR is to obtain additional public input on how to revise CRA regulations to encourage more local and national community and economic development—and thereby promote economic opportunity—by encouraging banks to lend to low- to moderate-income (LMI) areas, small businesses and other communities in need of financial services. The ANPR invites comments on a number of questions regarding improvements to CRA regulations related to:

- Revising the current performance evaluation method
- Moving to a metrics-based framework
- Redefining communities and assessment areas
- Expanding CRA-qualifying activities
- Recordkeeping and reporting

Stakeholders are invited to comment on the OCC's "Reforming the Community Reinvestment Act Regulatory Framework" through the Federal Register website at www.regulations.gov (Docket ID OCC-2018-0008). Comments related to the problems and possible solutions of the draft proposal brought forth in the ANPR may result in several outcomes, including presentment of a proposed rule or withdrawal of the ANPR.

While the initial comment period for the ANPR ended Nov. 19, the comment period will resume once the Notice of Proposed Rulemaking (NPRM) has been issued. The NPRM is the official document presenting how the agency plans to address problems or achieve goals presented in the ANPR based on the outcome of the initial commenting process. The second document will also indicate to stakeholders how the agency plans to amend the regulation and what its rationale is for doing so.

During the second comment period, stakeholders may comment on any portion of the proposed rule, which will also be available through the Federal Register website. This period may range from 30 to 60 days or longer. Comments received will aid the agency in drawing conclusions as to whether its plan will address the issues and goals brought forth initially in the ANPR or during the second comment period.

The proposed rule and public comments received will form the basis of the final rule. The final rule is what stakeholders, including examiners, will follow until the next round of regulatory change begins.

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Parents' Wealth Helps Explain Racial Disparities in Student Loan Debt

Fenaba R. Addo

The amount of educational loans that students of color are taking out to finance their higher education may be contributing to racial wealth gaps.

Federal financial aid decisions are primarily based on income, not wealth, and family wealth is an important resource for discharging student debt. Therefore, existing racial wealth disparities and soaring higher education costs may actually replicate racial wealth disparities across generations by driving racial disparities in student loan debt load and repayment.

If today's black young adults who attended college are the next generation of the black middle class, then they are not very different than their predecessors. They have made significant gains in educational attainment but don't have the wealth profile to match. This disparity appears to stem from the educational debt acquired to pursue their education. College is an increasingly expensive investment for students and their families, who have had to shoulder a growing share of the college cost burden.

And while studies indicate that the lifetime earnings of those with a college degree continue to outpace those of individuals without,[1] black students appear to be taking on a great deal more financial risk in pursuit of higher education. They tend to rely on student loans more than whites, have higher debt burdens, express more concern about the affordability of loan payments, and are more likely to default.[2]

Disparities in Transfers and Composition of Wealth Matter

Given that the average net wealth of college-educated blacks is less than a tenth that of whites,[3] white families are better able to draw from their wealth to pay for college, transfer their wealth to their children, and protect their children from debt than are black families. The proportion of families who provide assistance and the average amounts that they are able to give also differ considerably. An analysis of data from a youth survey[4] found that 58 percent of black young adults reported that their parents contributed an average of $4,200 over the course of their college career. That compares to an average of $12,000 given by 72 percent of white families. (See Table 1.)

By the Numbers

$4,200	Average amount parents of majority of black students contributed for college
$12,000	Average amount parents of majority of white students contributed for college
$17,000	Amount of greater wealth college-educated white young adults had compared to black young adults by age 25
7.6 percent	Amount of decrease in student debt associated with $10,000 increase in young adult net wealth

3.2 percent	Black parents in top wealth quintile

Black parents compose only 3.2 percent of the top wealth distribution quintile, defined as those holding at least $191,000. These families have substantially less home equity and only half as much in financial assets as white counterparts at similar points in the distributions. (See Table 2.) Parents at the high end of the black wealth distribution may be less able to transfer wealth to their children than are their white counterparts. This may be due in part to the black parents having fewer liquid assets, such as stocks, bonds and savings, which can be passed more easily to the next generation.

Racial Wealth Gaps Appear Early

As early as age 25, racial wealth gaps begin to emerge. In the age 25 asset survey,[5] college-educated white young adults reported having approximately $17,000 more wealth than black young adults who had attended college. We calculated that a $10,000 increase in young adult net wealth is associated with 7.6 percent less student loan debt. Young adults with high net wealth may have benefited from transfers of wealth from their parents and subsequently may be in a better position to pay down their student loans quicker.

This analysis suggests that social class positioning defined by familial wealth may not persist for this recent cohort of young adults, and especially not for black children from middle-class and higher net wealth households. They, like their parents' and grandparents' generations, might find their pathway to middle-class status, financial security, and stability to be a tenuous one. If student loan debt is more burdensome and consequential for black young adults, one of the unintended consequences of rising college costs may be that the long unstable and fragile position of the black middle class will persist.

Table 1

Finances by Race

Student Loan Debt			
	Full Sample	*White*	*Black*
Young Adult Has Debt	41%	41%	45%
Average Debt among Holders	$22,051*	$21,956	$19,654
Young Adult Status at Age 25			
Net Worth	$32,149	$37,182	$20,186
Parent Contributed to College Cost	69%	72%	58%
Total Parent Contribution over College Career	$10,384	$11,679	$4,217
Parents' Wealth			
Net Worth	$149,842	$174,871	$48,494
Median	$73,333	$101,377	$9,498
Financial Assets	$25,819	$31,001	$6,363
Home Equity	$62,416	$72,866	$19,377
Retirement Accounts	$41,387	$48,211	$13,279
Has College Saving Account (CSA)	10%	11%	6%
Amount among CSA Holders	$38,776	$40,786	$27,068

Other Assets	$8,385	$11,231	$4,092

NOTES: Dollar figures are rounded to the nearest dollar. The number of white young adults responding was 3,258, and the number of black young adults responding was 1,244. All averages are statistically different at the 5 percent level by race, indicating that the differences are not a result of random chance.

SOURCES: 1997 cohort of the National Longitudinal Survey of Youth and author’s analysis.

*Includes groups other than young white and young black adults.

Table 2

Average Holdings by Types of Wealth among Parents in the Highest Quintile

Holdings	*Average Amount ($)*	
	White	Black
Home Equity	154,627	92,555*
Retirement Accounts	116,960	91,915
Financial Assets	81,827	46,579
College Savings Account (CSA)	12,323	14,023
Other Assets	30,374	51,655

NOTES: Highest quintile includes those with $191,180-plus in wealth. The number of people responding was 1,069.

SOURCES: 1997 cohort of the National Longitudinal Survey of Youth and author's analysis.

*Statistically different by race at the 5 percent level.

Endnotes

1. See Jones and Schmitt. [back to text]
2. See Jackson and Reynolds. [back to text]
3. See Emmons and Noeth. [back to text]
4. Data are from the 1997 cohort of the National Longitudinal Survey of Youth (NLSY97) https://www.bls.gov/nls/nlsy97.htm. The NLSY97 is an annual study following a representative sample of youth living in the U.S. who were 12 to 16 years old as of Dec. 31, 1996. The current analysis uses annual data from 1997-2011 and 2013. [back to text]
5. Data from the NLSY97 Asset 25 section was collected in the interview year at the time or after the young people reached age 25. [back to text]

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Calendar

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5-7 **Housing Assistance Council Rural Housing Conference**

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Visit: **http://www.cvent.com/events/2018-hac-rural-housing-conference/event-summary-48374971addd46d398eefb44870aa804.aspx**

13 **Duty to Serve: Increasing Affordable Housing Options Through the Secondary Mortgage Market (Webinar)**

National

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5-7 **2019 Skills Summit**

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May 2019

9-10 *SAVE THE DATE!*

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The Federal Reserve System Community Development Research Conference is a biennial event that brings together researchers, policymakers and practitioners to discuss important issues facing individuals and their communities.

The 2019 conference will share research on ways to strengthen and widen paths to the middle class. The decade since the foreclosure crisis and the Great Recession has seen a marked change in the ways to achieve and maintain a middle-class life. For many Americans, the traditional paths—attending college, buying a home and saving for retirement—may now be out of reach or may never have been enough to guarantee financial security.

The conference will explore the latest research on ways to renew the promise of the middle class, including:

- Emerging trends, recent developments, and historical legacies in education, employment, housing, credit, wealth, health and other areas affecting the middle class
- Policies and programs to create an inclusive and resilient middle class
- Specific actions and initiatives by individuals and institutions—including state and local governments, financial institutions, community groups, businesses, military, philanthropies and nonprofits—to create new and enduring paths to the middle class

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Have You Heard?

Demographics of Wealth

The *Demographics of Wealth* is a series of essays providing the most comprehensive picture of American families' balance sheets and financial behavior over time. They were written by the staff of the Center for Household Financial Stability, the specialized research arm of the St. Louis Fed's Community Development department. The essays are based on the staff's analysis of over a quarter-century of data collected by the Federal Reserve through its Survey of Consumer Finances.

Three essays have been released in 2018, and each is available for download:

- Essay No. 1: The Financial Returns from College across Generations: Large but Unequal
- Essay No. 2: A Lost Generation? Long-Lasting Wealth Impacts of the Great Recession on Young Families
- Essay No. 3: The Bigger They Are, The Harder They Fall: The Decline of the White Working Class

To view the essays, please visit https://www.stlouisfed.org/household-financial-stability/the-demographics-of-wealth.

Resources

Bank On Data Pilot Report

A new report has been released by the Federal Reserve Bank of St. Louis and the Cities for Financial Empowerment (CFE) Fund titled The Present and Future of Bank On Account Data: Pilot Results and Prospective Data Collection. The report is the result of a pilot study conducted in 2017 to better understand the adoption and usage of Bank On accounts with four financial institutions:

- Bank of America
- JPMorgan Chase
- U.S. Bank
- Wells Fargo

The pilot study tested how a centralized Bank On data collection process could operate before a national reporting platform is established for all financial institutions offering certified Bank On accounts. The data demonstrate the vibrant market for Bank On accounts nationwide. It also underscores the success of local coalition efforts to connect unbanked people to accounts and can spur the launch of new coalitions and new programmatic integration partnerships.

To view the report, please visit: https://www.stlouisfed.org/~/media/files/pdfs/community-development/bank-on/bankon_data.pdf?la=en.