The Journal of Consumer Affairs (JCA), and
Financial Literacy and Education Consortium (**FLEC)**

Research Symposium

Draft Agenda 3/13/19

9:00 – 9:10 (10 min) Welcome
Louisa Quittman, Treasury

9:10 – 10:40 (90 min)
Panel 1: Family Asset-Building and Integration with Public Assistance

Using the Family Self-Sufficiency Program to Help Families with Housing Assistance Improve Earnings, Credit Score, and Debt Levels: A Quasi-Experimental Analysis
Freiman, Lesley; Geyer, Judy; Lubell, Jeffrey; Villarreal, Micah
Abt Associates

Exploring a Model for Integrating Child Development Accounts with Social Services for Vulnerable Families
Huang, Jin; Beverly, Sandy; **Kim, Youngmi**; Clancy, Margaret; Sherraden, Michael
College for Public Health and Social Justice
Saint Louis University

First-Year Impacts on Savings and Material Hardship from the Assets for Independence Program Randomized Evaluation
Braga, Breno; Mills, Gregory; **McKernan, Signe-Mary**; Ratcliffe, Caroline; Edelstein, Sara; Pergamit, Michael
Urban Institute
Washington, D.C.

Discussant: Sangeetha Malaiyandi, CFPB; Moderator (TBD)

10:40 – 10:50 CFPB Youth Research Agenda Announcement (Meina Banh, CFPB)

10:50 – 11:10 (20 min) Break

11:10 – 12:50 (100 min)
Panel 2: Financial Literacy and Education Over the Life Cycle

Impact of Financial Education Mandates on Younger Consumers' Use of Alternative Financial Services
Harvey, Melody
University of Wisconsin
Madison, Wisconsin

Building Financial and Health Literacy at Older Ages: The Role of Online Information
Mukherjee, Anita; Bavafa, Hessam; **Liu, Junhao**
University of Wisconsin, Madison, Wisconsin

Discussant and Moderator (TBD)

12:50 – 1:00 (10 min) Closing

Building Financial and Health Literacy at Older Ages: The Role of Online Information
Mukherjee, Anita; Bavafa, Hessam; Liu, Junhao
University of Wisconsin
Madison, Wisconsin

Improving financial and health literacy is an important step in reducing economic vulnerability in older age, yet the means by which individuals accumulate these types of human capital remains an open question. This paper evaluates the impact of online search activities on the levels of financial and health literacy. We find that using the internet for such information increases literacy significantly: doing so frequently (versus not at all) increases financial literacy by 16 percent, and health literacy by 12 percent. Our results are robust to alternative measures of financial literacy. They are also robust to an instrumental variable approach using other web skills such as email use to proxy for how individuals use the internet.

Using the Family Self-Sufficiency Program to Help Families with Housing Assistance Improve Earnings, Credit Score, and Debt Levels: A Quasi-Experimental Analysis
Freiman, Lesley; Geyer, Judy; Lubell, Jeffrey; Villarreal, Micah
Abt Associates Inc.
Rockville, Maryland

HUD's Family Self-Sufficiency (FSS) program aims to help housing assistance recipients increase their earnings and build savings to make progress toward economic security. This study examines an asset building nonprofit's innovative financial coaching-based approach to FSS that adds an additional focus on helping clients build assets and financial capability. We use a quasi-experimental approach to estimate the program's impact on earnings and cash assistance receipt and analyze credit and debt outcomes against a benchmark group. The findings show substantial, significant gains in households' earnings and significant decreases in receipt of some cash benefits. Participants also saw increases in credit score, and success in paying down credit card and derogatory debt. Our results indicate that FSS can be an effective platform for helping participants in subsidized housing make real progress toward economic security and financial health.

Impact of Financial Education Mandates on Younger Consumers' Use of Alternative Financial Services
Harvey, Melody
University of Wisconsin
Madison, Wisconsin

Financial literacy in the United States remains very low: two-thirds of Americans are unable to correctly answer more than three out of five questions regarding compound interest, inflation, and risk diversification. Adequate financial knowledge is critical because consumers are increasingly expected to take responsibility for their own financial health. One policy response has been to mandate financial education in schools; however, it remains unclear if it improves financial capability. I use pooled 2012 and 2015 waves of National Financial Capability Study to

examine whether financial education impacts the use of alternative financial services (AFS). I find that financial education mandates reduced the probability of payday borrowing. These findings suggest that studies on financial education policy should also evaluate financial behaviors that are relevant to younger consumers, such as high-cost borrowing. Otherwise, we may underestimate the benefits of the policy.

Exploring a Model for Integrating Child Development Accounts with Social Services for Vulnerable Families

Huang, Jin; Beverly, Sandy; Kim, Youngmi; Clancy, Margaret; Sherraden, Michael
Saint Louis University
St. Louis, Missouri

In the financial capability intervention known as Child Development Accounts (CDAs), incentives with savings or investment accounts enable families (especially vulnerable ones) to accumulate assets for children's developmental and life-cycle needs. With data from SEED for Oklahoma Kids, a randomized statewide policy experiment, we examined a CDA intervention's effects among low-income families in Temporary Assistance for Needy Families and Head Start. We also explored a new model for integrating the accounts with other social services for economically vulnerable populations. Results from simultaneous equation modeling suggest that the intervention has positive, statistically significant impacts on financial and social-development outcomes. Findings provide empirical support for a new model for integrating CDAs and social services. The centralized account platform used in SEED OK seems essential to providing CDAs on a large scale, which would enable opportunities for integration with federal- and state-funded social service programs.

First-Year Impacts on Savings and Material Hardship from the Assets for Independence Program Randomized Evaluation

Braga, Breno; Mills, Gregory; McKernan, Signe-Mary; Ratcliffe, Caroline; Edelstein, Sara; Pergamit, Michael
Urban Institute
Washington, D.C.

Individual development accounts (IDAs) help low-income families save by providing a savings account and a potential match toward personal savings for specific investments, such as a first home, business capitalization, or higher education and training. The Assets for Independence (AFI) program uses AFI IDAs—commonly coupled with financial education—to help low-income households achieve greater self-sufficiency. Using a randomized controlled trial, we evaluate the impact of AFI after the first year and find a $657 median increase in new savings (before matching funds) and a 34 percent reduction in hardships. We also find a 39 percent decline in the use of alternative (nonbank) check-cashing services.