

FOR IMMEDIATE RELEASE:
4/4/2023



Contact:
Natalie Mahoney
515-720-3190
natalie.mahoney@policyworksllc.com

Iowa Credit Union Foundation Releases New Report on Economic Realities of Communities of Color in Iowa

IOWA – The Iowa Credit Union Foundation (ICUF) released a new report titled “The Economic Realities of Communities of Color in Iowa” to leverage data and identify barriers to financial well-being within communities across the state. ICUF will use this report to support financial institutions and community organizations with actionable data and policy initiatives to break down barriers and increase financial inclusion for all Iowans.

“This new report confirms we are targeting our efforts where help is needed most,” said Ena Babic Barnes, Executive Director of ICUF. “While we have been focused on support to overcome these barriers to financial inclusion through our programming, we still have more work to do. Our credit union industry continues to step up and lead, but we can’t do it alone. I look forward to sharing this data with other community organizations across the state as we work together to help Iowans have more access to upward mobility and economic opportunity.”

According to U.S. Census Bureau data, more than 90% of Iowa’s current population is White. However, by 2045, it is estimated that more than 20% of population in Iowa will be from minority and mixed-race communities, underscoring the need to invest in fast-growing minority communities who will be future economic drivers in Iowa.

The Report, conducted by Coopera Consulting, uses both quantitative and qualitative research. Quantitative data is presented through recent and available research on six indicators commonly used by non-partisan researchers to measure economic well-being and financial inclusion: Employment, Housing, Business Ownership, Education, Health, and Childcare.

Key findings from the report include:

- **HOUSING:** Homeownership is one of the most effective ways to build wealth. More than 70% of all Iowans own a home, but communities of color are less likely to own a home than White Iowans. Black Iowans represent a disproportionately low homeownership rate of 23%.
- **BUSINESS OWNERSHIP:** More than 99% of Iowa businesses are small businesses, but only 10% are owned by racial and ethnic minorities.

- **CHILDCARE:** More than one-quarter of Iowans live in a childcare desert. In rural areas, 35% of families lack access to sufficient licensed childcare providers. According to available data presented in the Report, Iowa loses out on an estimated \$935 million in economic activity annually due to lack of childcare.
- **EDUCATION:** Data from Iowa Department of Education shows that, per racial group, dropout rates (for students in grades 9-12) tend to be higher among racial and ethnic minorities.
- **EMPLOYMENT:** Iowa's overall unemployment rate is 4.2%, but ICUF research shows that significant racial disparities exist. The unemployment rate for Hispanic Iowans is more than double that of White Iowans, while the unemployment rates for Black Iowans is more than three times higher than their White counterparts.

The full report can be downloaded from www.iowacreditunionfoundation.org/iowa-economic-realities-report.

Founded in 1995 as the philanthropic arm of the Iowa Credit Union League, ICUF's primary focus is the championing the financial well-being of Iowans through credit unions. Guided by the credit union philosophy of people helping people, ICUF champions financial well-being for all through its various programs, grants and scholarships. For more information, visit www.IowaCreditUnionFoundation.org.

###