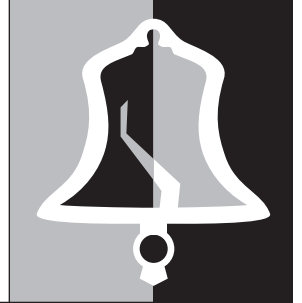


# Self-Sufficiency

## **Individual Development Accounts: Helping Low-Income Families Develop Assets**



**By Daniel Spivey**  
Bell Public Policy Fellow

Issue Brief No. 2  
June 8, 2006

The Bell Policy Center  
1801 Broadway, Suite 280  
Denver, Colorado 80202

(303) 297-0456 metro Denver  
(866) 283-8051 toll-free in Colorado

[www.thebell.org](http://www.thebell.org)

**The Bell Policy Center**

Research • Advocacy • Opportunity



Bell Policy Center

# Individual Development Accounts: Helping Low-Income Families Develop Assets

**Individual Development Accounts (IDAs) are matched savings accounts that help low-income workers save for a specific goal. The savings can be used to purchase a home, go to college or start a small business.**

**IDA programs offer strong financial gains and social benefits that outweigh their costs. They help low-income workers accumulate savings that can help pull them out of poverty and into the cycle of opportunity.**

**With limited funding, Colorado's IDA program does not reach enough people. State government needs to strengthen and expand the program by investing \$1 million per year.**

**This report explains how IDAs work and how Colorado can offer this high-yielding tool to more low-income residents.**

In an IDA program, donations and grants from the private and public sectors match the workers' monthly savings. Accounts are held at community financial institutions and managed by community non-profits. Participants usually must attend financial education classes.

Many low-income families do not have access to conventional pathways to investing and building capital. Low-income neighborhoods are often littered with high interest check cashing outlets, but have few quality financial institutions. Banks also often require a minimum starting deposit, a credit check and a minimum balance to open and hold an account, making them out of reach for some families.

IDAs plug families into the financial mainstream, making it easier to save, build capital and develop assets. Sometimes, families struggling

**"Poverty is a trap because resources are needed to produce resources.**

**"Poor people must consume most of their incoming resources, so they cannot save much.**

**"With low savings, they do not produce enough to increase their income enough to break the cycle."<sup>1</sup>**

**– Michael Sherraden and Lisa Morris**

to meet their basic needs simply cannot save more than a meager amount. But when a dollar match is provided through an IDA, the meager savings can, through dedication and work, become a new home, college degree or business.

## **Current asset subsidies primarily benefit higher income households**

State and federal governments subsidize savings, but most subsidies go to the middle and upper classes. Tax incentives are offered to those who own homes, save for retirement, have health savings accounts or invest in dividend-paying stocks. These asset subsidies disproportionately benefit higher income households and hardly reach the low-income worker.

In 2003, when federal tax incentives for asset-building totaled \$335 billion, the bottom 60 percent of families (by income) received less than 5 percent of the total. The \$335 billion supported home ownership and retirement, and rewarded savings and investment.<sup>2</sup>

Few low-income families benefit from these subsidies because they pay less in taxes and are less likely to own homes or hold investments. Federal policy provides generous benefits for owning assets, but does little to help low-income families develop assets.



Bell Policy  
Center

## Individual Development Accounts: Helping Low-Income Families Develop Assets

### **Policies to help the poor focus on subsistence, not long-term self-sufficiency**

Current federal policies targeted at helping the poor have a limited focus on asset development, emphasizing consumption and income. For example, food stamps or rental assistance are policies that subsidize earnings and help people get by.

Too often, social programs to help the needy stop at the point of subsistence and do not focus on long-term self-sufficiency.<sup>3</sup> Subsistence-focused policies are essential to the nation's safety net, but working poor families need policies that promote long-term economic independence.

### **Many in Colorado are asset-poor**

CFED, formerly known as the Corporation for Enterprise Development, reports a significant percentage of Colorado households in asset poverty. Asset poverty is defined as not having enough net worth to live at the poverty level for three months without income.

Families in asset poverty are often one financial emergency away from disaster. A lost job, a car breaking down or a family member falling ill can force a family living in asset poverty to seek public assistance. Families need assets to get through financial emergencies.

CFED found in 2004, 26 percent of Colorado households were asset poor and 43 percent of the state's minority-headed households were asset poor.

IDA programs are targeted at those 26 percent of Colorado families that do not have sufficient assets. A more widespread effort to expand IDAs throughout Colorado could help lower the numbers of low-income families who face uncertainty when even minor emergencies occur.

### **Government support for asset development**

The United States has a long history of promoting asset development and opportunity. The Homestead Act of 1863 gave 160 acres of land to anyone willing to rough out at least five years on the Western frontier. An estimated 25 percent of

all Americans have a legacy of asset ownership directly tied to the Homestead Act. After World War II, the GI Bill allowed an entire generation of veterans to get a college education. For every dollar invested in the GI Bill, the nation received \$12.50 in return value.<sup>4</sup>

Earlier generations of leaders understood the importance of assets to civic responsibility and economic independence. Our modern policy makers must reinvigorate this notion.

### **Resources**

**Mile High United Way:** [www.unitedwaydenver.org](http://www.unitedwaydenver.org)

**CFED:** [www.cfed.org/](http://www.cfed.org/)

**Center for Social Development:**

[gwbweb.wustl.edu/csd/](http://gwbweb.wustl.edu/csd/)

**Institute on Assets and Social Policy:**

[www.assetinstitute.org/](http://www.assetinstitute.org/)

### **IDAs: a new tool to fight poverty**

In 1991, Michael Sherraden, creator and director of the Center for Social Development (CSD) at Washington University in St. Louis, wrote *Assets and the Poor: A New American Welfare Policy*. In the book, Sherraden emphasized changing the way policy is shaped to fight poverty.

Traditionally, policies geared toward alleviating poverty targeted earnings and income. Sherraden believed policies based only on income were insufficient and called for a broader policy to address the lack of assets among the poor.

He came up with the idea of a savings account tailored to the needs of low- to moderate-income families, an Individual Development Account.

In 1996, IDAs made their debut in federal policy when Congress passed comprehensive welfare reform. At that time, the act gave states the option to spend federal Temporary Assistance for Needy Families (TANF) grant money on IDA savings programs.<sup>5</sup>



Bell Policy Center

# Individual Development Accounts: Helping Low-Income Families Develop Assets

IDAs got a further boost from the 1998 Assets for Independence Act (AFIA), which provided \$125 million to the U.S. Department of Health and Human Services for a five-year IDA demonstration program. HHS helped non-profits across the country launch IDA programs and offer matching funds for qualified IDA participants.<sup>6</sup>

Sherraden first secured private funding for the first experiment with the idea in 1997, when the CSD helped implement 13 IDA programs in 12 states. He later gained more funding through AFIA for the American Dream Demonstration program.

CSD and CFED tracked the 13 programs closely. The key findings were:

- IDAs are accepted and used by people who are least likely to save.
- IDAs motivate people to save.
- Many IDA recipients successfully used their accounts to build valuable assets.

Exposing low-income people to the benefits of saving through an IDA program helps bring many into the cycle of opportunity. These savers are able to set aside small amounts each month and build toward their goal.

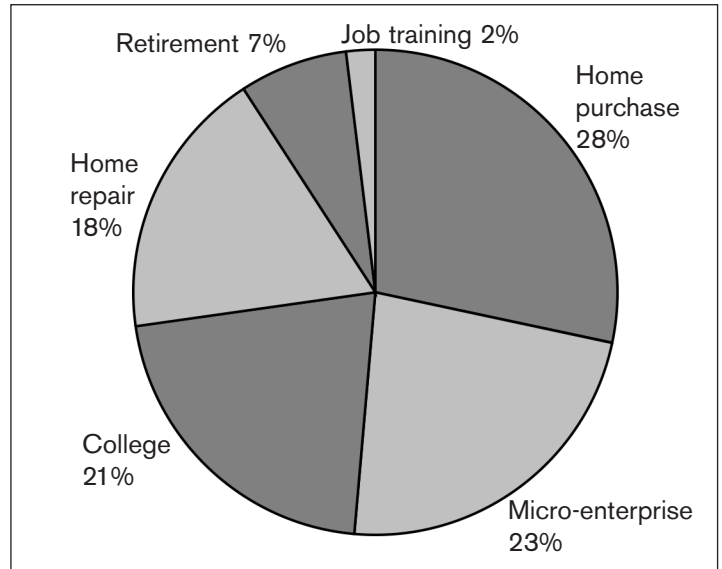
IDAs are tailored to their needs: the minimum deposit is very low, deposits can be withdrawn if necessary, and community nonprofits support recipients with financial counseling.

Table 1. Characteristics of American Dream Demonstration participants

|   |                |
|---|----------------|
| <b>Number of people participating</b>         | <b>2,353</b>   |
| <b>Average monthly income of participants</b> | <b>\$1,358</b> |
| <b>Male</b>                                   | <b>20%</b>     |
| <b>Female</b>                                 | <b>80%</b>     |
| <b>African-American</b>                       | <b>47%</b>     |
| <b>Hispanic</b>                               | <b>9%</b>      |
| <b>White</b>                                  | <b>37%</b>     |
| <b>Without a checking or savings account</b>  | <b>21%</b>     |
| <b>High school education or less</b>          | <b>39%</b>     |
| <b>Renters</b>                                | <b>81%</b>     |

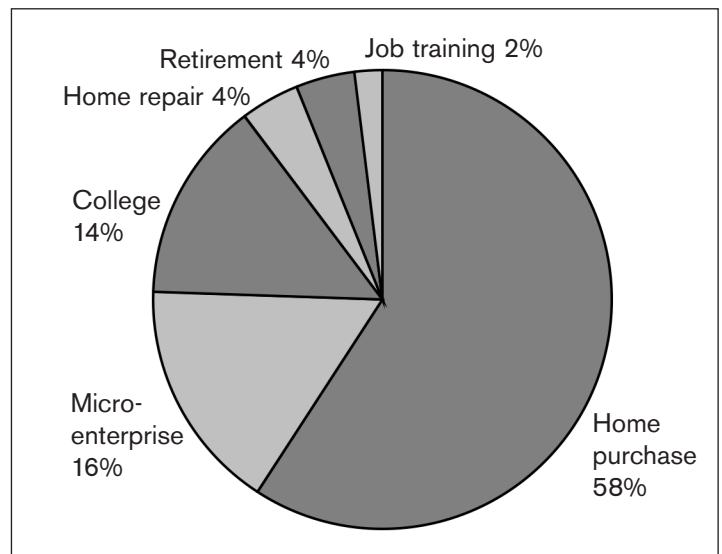
At the time of the study, 32 percent of the savers withdrew their savings and the matched savings for an average matched withdrawal of \$2,586. They used their withdrawals in a variety of ways, illustrated in Chart 1.

Chart 1. Use of matched withdrawals



The other 68 percent still involved planned to use their matched withdrawals, as illustrated in Chart 2.

Chart 2. Intended use of matched withdrawals



Source for Tables 1 and Charts 1 and 2: Center for Social Development (CSD) at Washington University, St. Louis, Mo.<sup>7</sup>



Bell Policy Center

# Individual Development Accounts: Helping Low-Income Families Develop Assets

A survey conducted in 2003 by CFED found more than 500 IDA programs across the country.

The survey counted more than 15,000 people saving through the programs, of whom 85 percent earned less than \$30,000 a year. Low-income savers invested nearly \$14.6 million, matched by \$22.5 million from grants and donations.

IDA programs can help even the poorest of workers save. The survey found that those participants whose incomes are less than half the federal poverty level saved about the same amount as those who earned four times more.<sup>8</sup>

## Potential drawbacks of IDA programs

### 1. Unmatched withdrawals

Under most IDA programs, savers are allowed to withdraw money for reasons other than entrepreneurship, home purchase or education. Under these circumstances, savers can only withdraw their own money, and can't tap the matching funds.

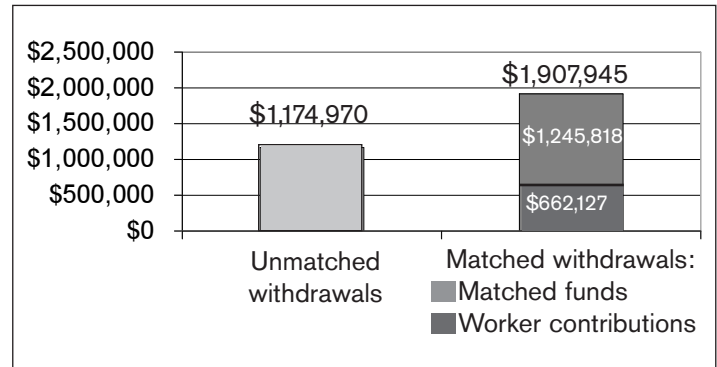
This is an important feature, because the working poor often need their saved money during tough times. Saving is not easy for the poor, and some participants in the program will either drop out or save small amounts.

Those who drop out or make a withdrawal for unmatched purposes can't take private or public matching funds with them.<sup>9</sup>

The Center for Social Development (CSD) found that 64 percent of participants made an unmatched withdrawal while in the program. The IDA clients usually needed access to their savings when expenses climbed or income dropped.

However, the total amount of unmatched withdrawals was significantly lower than the total amount of matched withdrawals. The only public and private funds lost due to unmatched withdrawals were for administrative costs for the programs.

Chart 3. IDA withdrawals through the American Dream Demonstration program, as of 2001



Source: Center for Social Development (CSD) at Washington University, St. Louis, Mo.

### 2. High administration costs

If IDA programs were offered nationwide, today's bundle of services and decentralized structure would make it a costly venture. But streamlining services and handling more accounts overall could make a national or state program more cost-effective.<sup>10</sup>

CSD suggests that cost savings and more efficiency could be accomplished by:<sup>11</sup>

- Improving communication between financial institutions and non-profit organizations.
- Having all deposits transferred to a single mutual fund investment management company.
- Encouraging automatic deductions from payroll checks to be diverted to accounts.
- States joining forces with companies employing large numbers of low-paid workers to expand participation in the program.

### Asset building can be risky

Owning a home, furthering your education or starting a small business usually helps people and families move into the cycle of opportunity. But there is always an element of risk. Not everyone who uses an IDA to put a down payment on a home, go back to school or start a business will be successful.



Bell Policy  
Center

## Individual Development Accounts: Helping Low-Income Families Develop Assets

Risk is a reality for everyone, regardless of income. Even so, the benefits of the IDA concept generally outweigh the risks. IDA participants take a risk when they spend their savings, but with support from caseworkers, combined with motivation and hard work, many can succeed on the path to self-sufficiency.

### **IDAs do more than just help low-income workers save money**

IDA programs can help create savvy consumers who learn how to repair their credit rating, apply for other asset-building programs such as the Earned Income Tax Credit, and avoid predatory lending.

Many participants open bank accounts for the first time, learning the advantages of a business relationship with a financial institution. Bringing people into the financial mainstream gives them access to asset accumulation tools such as savings and retirement accounts and loans for a home, education or business.

Banks and credit unions also benefit from IDA programs. They gain a new customer base of previously unbanked individuals and families. Their deposits and banking transactions can increase banks' profits.<sup>12</sup>

Most important, owning assets gives low-income families a chance to be stakeholders in society. Home ownership, business ownership and higher education lead to civic involvement and healthy communities.

IDAs help boost national savings, which helps the economy. More national savings helps reduce the trade deficit, helps the nation prepare as the working population ages, and helps boost GDP. Widespread efforts to encourage more people to save, especially low-income families who historically have not saved as much, would increase our national savings.<sup>13</sup>

### **Colorado's Success Story:**

#### **The Mile High United Way IDA program**

In 1999, the Mile High United Way and the City and County of Denver received a federal grant to create an IDA program in metro Denver. The program is presently administered in collaboration with Del Norte Neighborhood Development Corp., MicroBusiness Development Inc. and other community groups. Wells Fargo Bank holds most accounts.

- Household size, income and savings goal are used to measure eligibility.
- Participants must complete a free financial management course. Additional specialized asset training is tailored to the participant's savings goal: home ownership, postsecondary education or business capitalization.
- Households participate for six to 30 months.
- Deposits must be at least \$25 a month. A maximum of \$750 to \$1,000 can be matched. With current match rates of 4:1, that savings can grow to \$3,750 to \$5,000.
- Since 1999, participants have saved \$352,789, and matching funds total \$1,063,036.
- Since 1999, 923 households have participated in the United Way Savings Plus IDA program: 736 have finished and 187 remain involved.  
Of the 736 that finished, 325 used their savings and the match money: 162 purchased a home, 75 furthered their education and 88 started a small business. The remaining 411 exited without a purchase, forfeiting the match money.  
Another 187 households remain in the program: 56 are saving for a home, 77 to further their education and 54 to start a small business.
- Collaborating community groups refer and continue to support new participants for the IDA program. By maximizing services and resources for participants, United Way hopes to improve the program's success rate.

Mile High United Way also supports organizations in Boulder and Colorado Springs to administer IDA programs in those communities.



Bell Policy  
Center

# Individual Development Accounts: Helping Low-Income Families Develop Assets

In Colorado and other states, about half of account holders successfully purchase an asset, while the rest save little or drop out. IDAs are not a panacea for poverty. Saving is difficult for the working poor, even with the incentive of matching dollars. Research from the Minnesota experience suggests ways to increase the success rate:<sup>14</sup>

- Aggressive financial coaching and support.
- Ongoing training programs for staff at non-profits and financial institutions.
- Using direct payroll deposit.

## What can an IDA program do for Colorado?

Colorado has more wealth and less poverty than most other states. Still, many working families struggle to get by. It costs a lot to live in Colorado, and after families pay for rent, health care, utilities, child care, transportation and food, little is left to save.

The Colorado Fiscal Policy Institute (COFPI) estimates that for all types of families of four, it costs \$35,000 to \$47,900 a year to meet all basic needs. COFPI calls this the self-sufficiency standard.<sup>15</sup>

The number varies with location and family make-up. Of Colorado's households, many fall below the minimum to be self-sufficient — 36 percent earn less than \$35,000 per year.<sup>16</sup>

## Colorado's current IDA program

In 2000, the Colorado General Assembly created a tax credit for those who contribute to the Mile High United Way IDA program, but only during years when there is a TABOR surplus.

The legislation credits 25 percent of contributed funds back to the donor. Through this credit, the state essentially funds a portion of the program.<sup>17</sup> However, the tax credit has never been available, because there hasn't been a TABOR refund since the legislation passed in 2000.

This credit, unused to date, is the state government's only action toward offering an IDA program to Colorado's working poor families.

## How states can support IDAs

Colorado and other states have four tools available to support IDA programs.<sup>18</sup>

- Provide direct general fund support for matching funds and administration costs.
- Use Temporary Assistance for Needy Families (TANF) monies for matching funds and/or administration costs.
- Use Community Development Block Grant (CDBG) monies for matching funds and/or administration costs.
- Provide a tax credit for private contributions to IDA programs.

There is no single best way to fund IDAs. Research suggests that state funding is most effective in collaboration with support from community organizations. The Center for Social Development recommends using a combination of the four tools listed above, along with active private sector funding partners.

IDA programs across the country show this diversity in approach, as shown in Table 3, next page.

- Eight states use general fund money to match or administer accounts.
- Eight states offer a tax credit for contributions to IDA programs. Credits are not tied to budget surplus restrictions, as is the case in Colorado.
- Twelve states use TANF monies to match or administer accounts.
- Six states use CDBG monies to match or administer accounts.
- A total of 27 states practice one or more of these four primary ways to support IDAs.

## Michigan

In 2000, then-Gov. John Engler proposed using \$5 million in federal TANF funds for IDAs, and the Legislature concurred. The Council of Michigan Foundations raised another \$5 million. The \$10 million is being invested over a five-year period to



Bell Policy Center

# Individual Development Accounts: Helping Low-Income Families Develop Assets

Table 3. How states fund IDA programs <sup>19</sup>

| States giving direct support from general fund | States with tax credits for IDA contributors | States using TANF funds for IDAs | States using CDBG funds for IDAs |
|--|--|----------------------------------|----------------------------------|
| Connecticut                                    | Arkansas                                     | Arkansas                         | North Carolina                   |
| Indiana  | Connecticut                                  | Illinois                         | Ohio                             |
| Maryland                                       | Hawaii                                       | Indiana                          | Oklahoma                         |
| Minnesota                                      | Indiana                                      | Louisiana                        | Oregon                           |
| Pennsylvania                                   | Kansas                                       | Michigan                         | Tennessee                        |
| South Carolina                                 | Maine  | New Jersey                       | Virginia                         |
| Vermont  | Missouri                                     | Ohio                             |                                  |
|  | Oregon                                       | South Carolina                   |                                  |
|  |  | Tennessee                        |                                  |
|  | Colorado *                                   | Texas                            |                                  |
|  | Pennsylvania **                              | Vermont                          |                                  |
|  |  | Virginia                         |                                  |

Note: More states have passed IDA legislation, but have stopped or rescinded funding. These states are currently funding IDA programs.

\* Tax credit contingent upon revenue surplus above TABOR limit, has never been available.

\*\* Neighborhood Assistance Program tax credit.

build a statewide IDA program.<sup>20</sup> Because of this shared commitment by the state and the Council of Michigan Foundations, Michigan has one of the most successful IDA programs in the country.

As of May 2006, 796 Michigan families successfully used their accounts: 545 bought a home, 144 furthered their education, and 107 started or expanded a small business. The 796 families saved \$768,740 and received matching funds totaling \$2,244,791. New mortgages for the 545 homes exceed \$47 million.<sup>21</sup>

### Pennsylvania

The Pennsylvania Legislature has given direct general fund support to a statewide IDA program since 1999. Between 1999 and 2001, the number of participants in the Family Savings Account program grew from 1,125 to 1,650.

Pennsylvania spent \$1.5 million in fiscal years 2000-01 and 2001-02, \$1 million in FY 2002-03, and \$826,000 in FYs 2003-04 and 2004-05. State funds helped expand the program and secure matching funds from federal AFIA grants.<sup>22, 23</sup>

### Minnesota

Between 2000 and 2004, Minnesota gave \$1 million in general fund monies to create a state IDA program. The federal government matched \$500,000 and private donors matched another \$500,000.

During the four years, a total of 716 accounts were opened. Total savings deposited totaled \$566,869 and matched funds totaled \$884,214. The program expanded statewide and 335 of the accounts were used to purchase assets.<sup>24</sup>

• • •

Based on the experience of other states, an annual appropriation of \$1 million would go a long way to expand an IDA program to all counties in Colorado. Pennsylvania appropriated between \$800,000 and \$1.5 million per year since 2000, and its IDA program has grown to be available statewide.

The Minnesota and Pennsylvania experiences also show that more federal and private monies can be leveraged by committing state funds.



Bell Policy  
Center

## Individual Development Accounts: Helping Low-Income Families Develop Assets

Michigan's experience of collaboration between the private and public sector suggest that when interested parties work together, an IDA program can grow and help more working families. Colorado should build from these experiences and create its own statewide program.

The evidence is clear from across the country: IDAs work to fight poverty and help families become self-sufficient.

IDA programs offer a life-changing boost into the cycle of opportunity for low-income households. Workers learn how to save for a goal and get a sizable match that makes their savings grow quickly. With home ownership, a college education or a business, families can become self-sufficient and no longer need public assistance.

### Recommendations for Colorado

- The state Legislature should commit at least \$1 million annually in general fund monies to support a statewide IDA program. These state funds could be used to match federal AFIA grants, significantly increasing the AFIA grant money to Colorado.<sup>25</sup> With the overall increase in funding, IDA programs should be made available to residents statewide.
- The state government should collaborate with Mile High United Way to develop plans for launching a statewide IDA effort, since the MHUW has been the largest manager of IDAs in the state for the past six years. The effort should involve state agencies and community organizations with a stake in asset building, such as the Colorado Division of Housing, the Colorado Office of Economic Development and non-profit community organizations.
- The state Legislature should make its IDA contribution tax credit permanent and not tied to a TABOR surplus, boosting incentives for private donations.

- The new statewide IDA program should also give participants the option of depositing a portion of their state and federal Earned Income Tax Credit refund into their IDA account. At present, the state EITC refund is contingent on a TABOR surplus, and will not be available until after 2010 as result of Referendum C. One way to expedite this savings potential would be for the state Legislature to make the EITC permanent and not dependent on a TABOR surplus.
- Funding should include a requirement for annual reporting on outcomes and success rates for savers.
- The state should create a statewide volunteer network of instructors to teach and help recipients better manage their money to meet their asset goals.

### Conclusion

A true ownership society must offer opportunity to all. However, current tax incentives aimed at asset building are almost exclusively geared for middle- to upper-income taxpayers. These policies are effective, but reach few of the low-income people who need them the most.

Colorado's policies should be more inclusive. To be a state of opportunity, Colorado should extend a hand to help low-income families and workers save to buy a home, go to college, or start or expand a small business. Such modest ventures can renew communities and strengthen families. Assets, combined with hard work and motivation, make these ventures possible.

Research on individual development accounts proves low-income people are willing and able to save when offered incentives tailored to their needs. Investing in IDAs is a smart policy move with a high financial and social return.

Colorado cannot change federal tax policy, but it can fund and support a state program that gives low-income families the tools to work and save their way into the middle class and into the cycle of opportunity.



Bell Policy  
Center

## Individual Development Accounts: End Notes

- <sup>1</sup> Sherraden, Michael and Lisa Morris. (2003). *Assets and the Poor: Evidence from Individual Development Accounts*.
- <sup>2</sup> Corporation for Enterprise Development. (2004). *Hidden in Plain Sight: A Look at the \$335 Billion Federal Asset Building Budget*. <http://www.cfed.org/publications/Final%20HIPS%20%20Version.pdf>
- <sup>3</sup> Schreiner, Mark, Guat Tin NG, and Michael Sherraden. (2005). *Cost-Effectiveness in Individual Development Accounts*.
- <sup>4</sup> Boshara, Ray. (2003). *The \$6,000 Solution*. New America Foundation. <http://www.newamerica.net/index.cfm?pg=article&DocID=1146>
- <sup>5</sup> Kearns, Monica and Andrea Wilkings. National Conference of State Legislatures. (2003). *Building Assets and Fighting Poverty*. <http://www.ncsl.org/statefed/welfare/IDAbrief.htm>
- <sup>6</sup> Boshara, Ray. (1998). *Assets for Independence Act: Overview*. Center for Social Development. <http://gwbweb.wustl.edu/csd/asset/idas.htm>
- <sup>7</sup> Clancy, Margaret, Schreiner, Mark and Michael Sherraden. Center for Social Development. (2002). *Final Report: Saving Performance in the American Dream Demonstration*. Washington University in St. Louis. <http://gwbweb.wustl.edu/csd/Publications/2002/ADDreport2002.pdf>
- <sup>8</sup> CFED (formerly Corporation for Enterprise Development.) (2003). *New investment tool shows great promise for working poor families: individual development accounts modeled on popular individual retirement accounts*.
- <sup>9</sup> Sherraden and Morris.
- <sup>10</sup> Ibid.
- <sup>11</sup> Clancy, Margaret. Center for Social Development. (1996). Administration of Individual Development Accounts: Opportunities and Constraints. [http://gwbweb.wustl.edu/csd/asset/idas\\_admin.htm](http://gwbweb.wustl.edu/csd/asset/idas_admin.htm)
- <sup>12</sup> Davis, DeWayne and Jeff Lemieux. (2000). *Individual Development Accounts: How Are They Working*. Progressive Policy Institute. [http://www.ppionline.org/ppi\\_ci.cfm?contentid=2141&knlgAreaID=125&subsecid=164](http://www.ppionline.org/ppi_ci.cfm?contentid=2141&knlgAreaID=125&subsecid=164)
- <sup>13</sup> U.S. Department of Treasury. *Preparing for the future by increasing national savings*. U.S. Treasury Secretary Lawrence H. Summers remarks to the National Tax Association. June 8, 2000.
- <sup>14</sup> DeVaan, Denise, and Foran, Rachel, Ramsey Action Programs.(2004) *Family Assets for Independence in Minnesota (FAIM): FAIM I Pilot Program Results January 2000 to June 2004*.
- <sup>15</sup> Colorado Fiscal Policy Institute. (2004). Self-Sufficiency Standard. <http://www.cclponline.org/pubs/sssfactsheet4-04.pdf>
- <sup>16</sup> 2004 American Community Survey. Selected Economic Characteristics
- <sup>17</sup> Colorado Department of Revenue. (2004). Individual Development Account Contribution Credit. <http://www.revenue.state.co.us/fyi/html/income45.html>
- <sup>18</sup> Center for Social Development. (2004). *Summary Tables: IDA Policy in the States*.
- <sup>19</sup> Ibid.
- <sup>20</sup> Center for Social Development at Washington University in St. Louis. (2003). Michigan: IDA Legislative History.
- <sup>21</sup> Council of Michigan Foundations Web site, IDA page, accessed on May 24, 2006. <http://www.cmif.org/IDA/IDAHome.htm>
- <sup>22</sup> Center for Social Development. (2003). Pennsylvania IDA Legislative History.
- <sup>23</sup> Pennsylvania Department of Community and Economic Development. (2004). Pennsylvania FY 2004/05 Enacted Budget.
- <sup>24</sup> DeVaan and Foran (2004).
- <sup>25</sup> Edwards, Karen, and Bailey, Jon. Center for Social Development. (2006). *State-level Individual Development Account Policy: Opportunities and Challenges for Rural Areas*. <http://gwbweb.wustl.edu/csd/Publications/2006/PR06-01.pdf>