Our March Focus: Our recently released report, *The State of Low-Income America: Credit Access & Debt Payment*. (More below)

HOUSEHOLD FINANCIAL WELL BEING — CREDIT ACCESS AND DEBT: The latest New York Fed report on debt and credit access across income groups found that debt payment rates and median credit scores rose for all income groups through September 30, 2021, with he pandemic moratorium on student loan debt acting as an equalizing (and stabilizing) factor.

"Overall, the picture is fairly rosy, but we don't want to diminish the fact that there are households that are still struggling and will struggle even more when their student-loan payments kick in," a New York Fed researcher said.

Actions: Citigroup is poised to become the largest bank to eliminate overdraft fees, which advocates have long maintained are an unfair burden to low-income account holders.

Ideas: A new Aspen Institute paper points to debt as a driver of growing racial wealth inequality. The study finds that households of color are "disproportionately likely to hold more harmful debt, more likely to become involved with court systems due to debt, and disproportionately experience non-financial damage from debt."

Coming up: "Expanding Opportunity: Investing in Employment Social Enterprise," an event focused on the significant economic benefits of expanding job and career opportunities for people who often encounter hurdles to employment. Learn more here.

HEALTH ─ FIGHTING HUNGER: The city of Newark will invest $2 million to support community-based organizations to combat hunger and food insecurity related to COVID-19.

The Nourishing Newark Community Grants Program seeks to spur the creation and expansion of sustainable urban food cooperatives, and other community-based healthy food distribution channels.

Actions: Luminis Health, a hospital system in Annapolis, Maryland, received a call for help in March 2020 from a housing complex for low-income seniors. A community nurse who visited the complex found residents lacked internet access, as well as hand sanitizer and masks. So the hospital sent workers door-to-door to talk to residents about basic COVID prevention measures and deliver bags with prevention information, phone numbers to call for care, soap, detergent, and masks, according a Shelterforce article.

CLIMATE ─ ENERGY POVERTY: About 16% of U.S. households experience energy poverty, defined as spending more than 6% of household income on energy expenditures, according to the journal Nature.

About 7% of U.S. households said they reduced or went without medicine or food almost every month to pay an energy bill, according to the Census Pulse Survey for the week ended February 7.

Ideas: Lifting more than one billion people out of poverty would lead to increases in global carbon emissions of 1.6% to 2.1% or less, the journal Nature reports. Still, carbon emissions in low- and lower-middle-income countries in sub-Saharan Africa can more than double as an effect of poverty alleviation, the report noted.

Connecting Capital: The New York Fed's Dominic Ramos-Ruiz and Otho Kerr spoke at the Social Innovation Digital Gathering – The Future of Impact Investing. Watch here.

The New York Fed's Community Development unit works with community leaders to understand community needs and with capital providers to foster economic opportunities. We are searching for ideas that can tear down barriers to economic mobility for low- and moderate-income people; our focus is on the economic drivers of health, household financial well-being, and climate-related risks. Our goal is to elevate those ideas and connect them with funding. To see our **past newsletters**, **events calendar,** and learn more, visit our **website**.

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