

The Price of Motherhood in South LA

Preliminary Findings

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Survey Respondents (n = 81)

Years in Neighborhood:

- Median: 10
- Range: 1-49

Race/ethnicity:

- 27 Black (33%)
- 55 Latinx (68%)

Household Composition:

- 91% Children in Household
- 14% Multigenerational Households

Survey Respondents (n = 81)

Age:

- Median: 35
- Range: 16-71

Citizenship:

- 62% US Born
- 38% Immigrants (22% Undocumented)

Educational Attainment:

- 24% - Less than High School
- 60% - HS Diploma, no Bachelor's Degree
- 16% - Bachelor's Degree or Higher

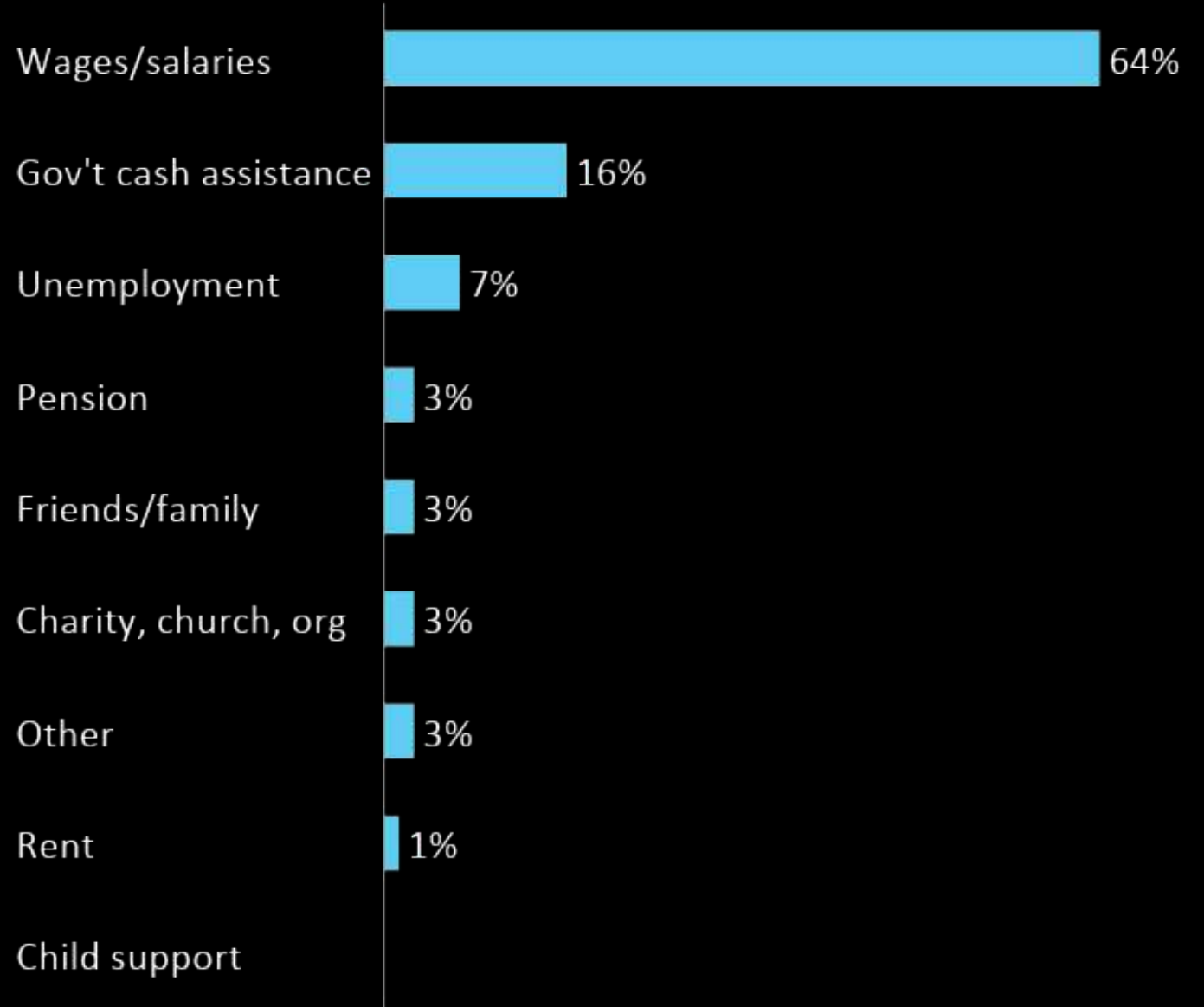


Guiding Questions:

- **What kinds of income and supports do mothers rely on?**
- What contributes to wealth stripping and debt burden for mothers?
- How does wealth stripping impact quality of life in the sense of mental health and hopefulness for children's futures?
- How does wealth stripping affect mothers in South LA?

Primary Source of Income

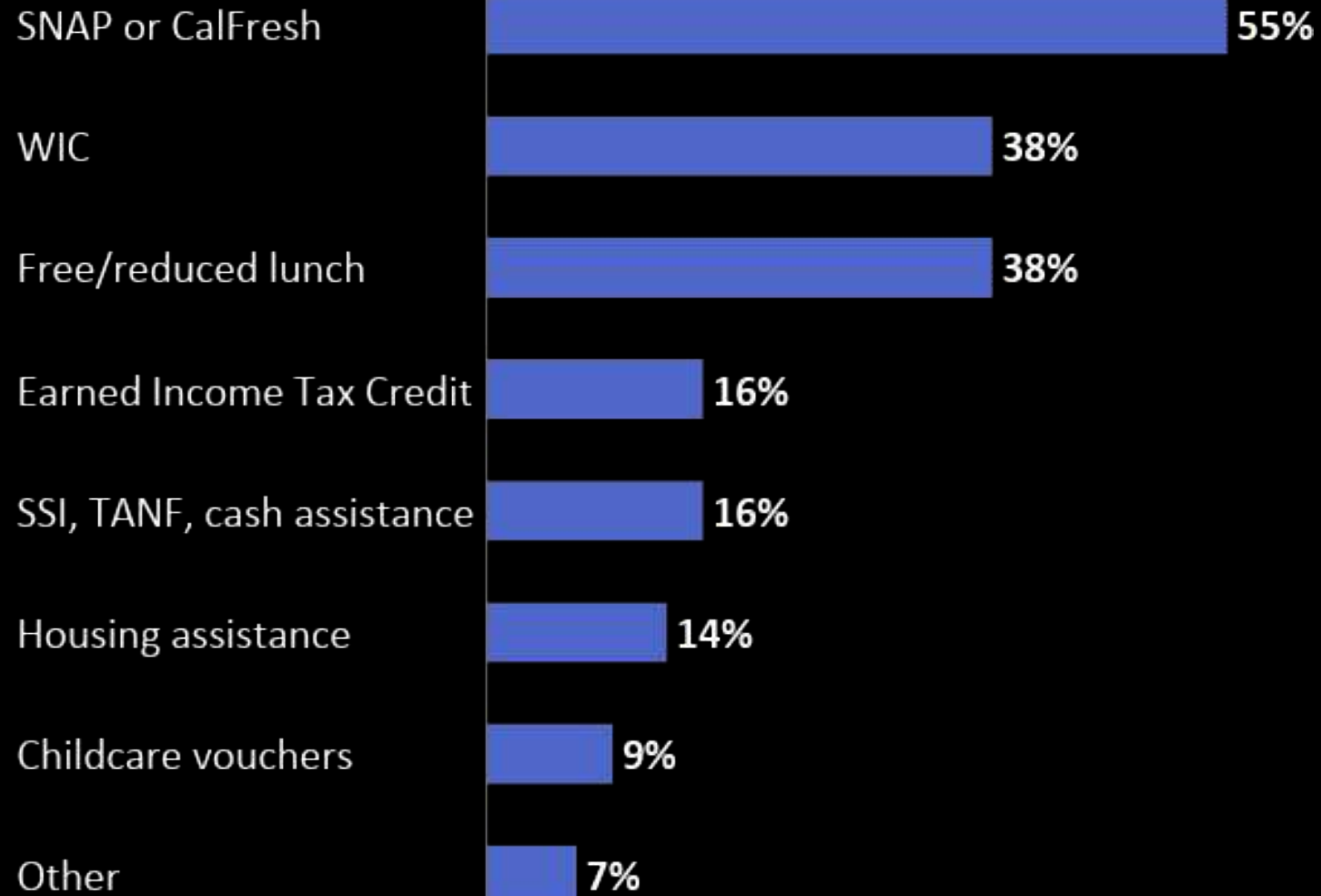
The primary source of income for most mothers is wages and salaries



What was your primary source of income in the past 12 months? (n = 73, 90%)

Government Programs

Most mothers rely on government programs - the greatest reliance is on food programs



In the past 12 months, did you access or use any of the following government programs to help you financially? (n = 74, 96%)

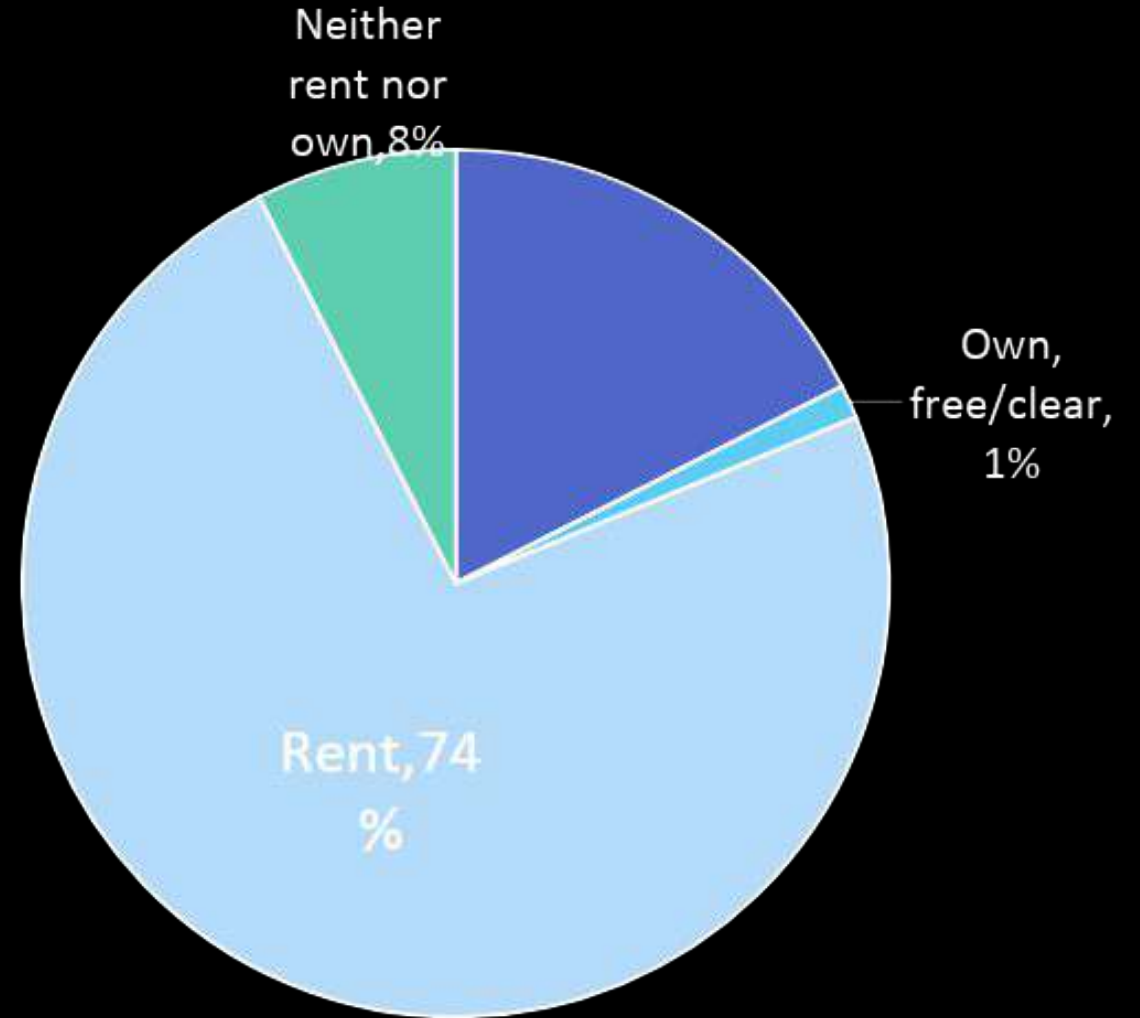


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Housing Tenure

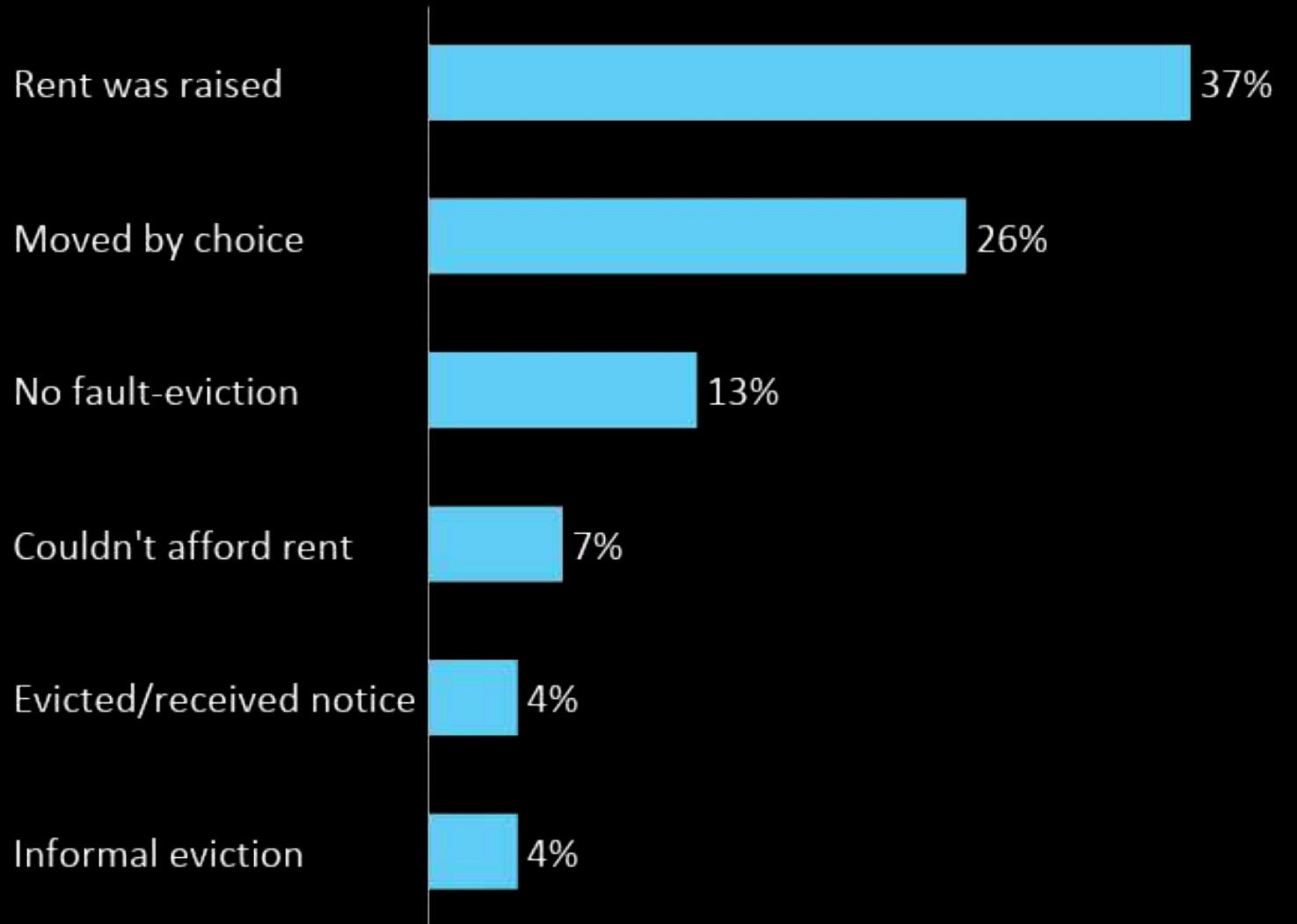
The vast majority of mothers rent, those who own their homes tend to have a mortgage.



Do you own or rent your home?

Reason Renters Moved

While a significant share of mothers moved from their previous homes by choice, many moved due to affordability issues



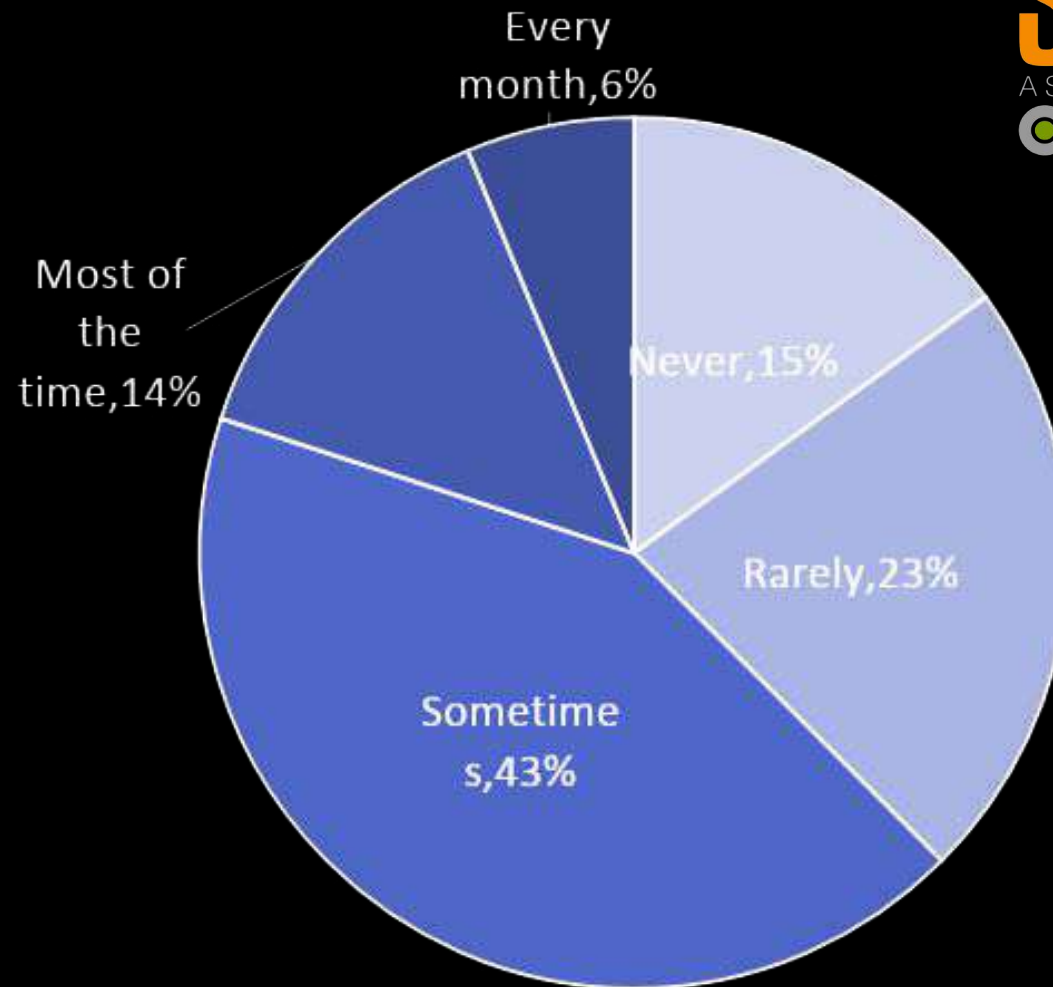
What was the reason you moved from your previous home? (n = 46, 57%)

Frequency of Monthly Shortages

85% of mothers find themselves short for the month at some point in the year – 20% on a regular basis

The median reported monthly shortage was \$443; the range of shortages was from \$50 to \$2,000

(n = 55, 68%)



Pre-COVID, in a typical year, how often have you been short for the month? (n = 80, 99%)

Fines

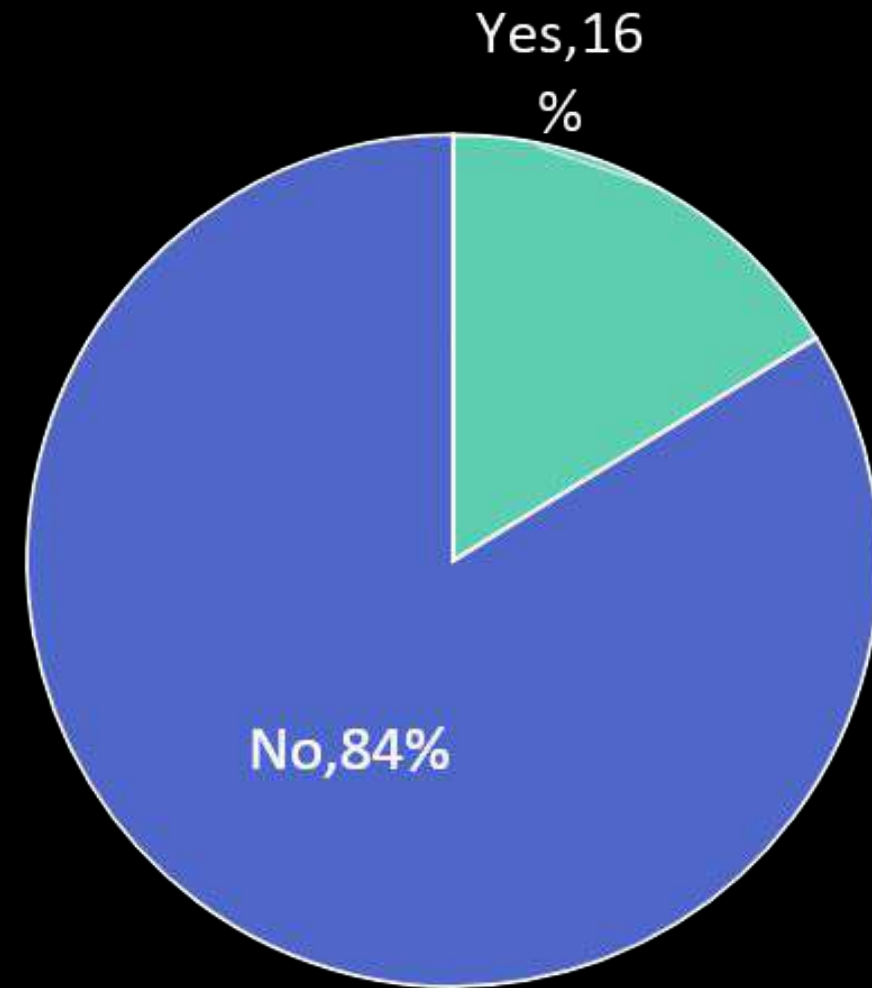
Parking tickets are the most prevalent fines faced by the mothers surveyed followed by late payment penalties and traffic tickets.



In the past 12 months, how much did you pay in fines for the following...

Rainy-Day Fund

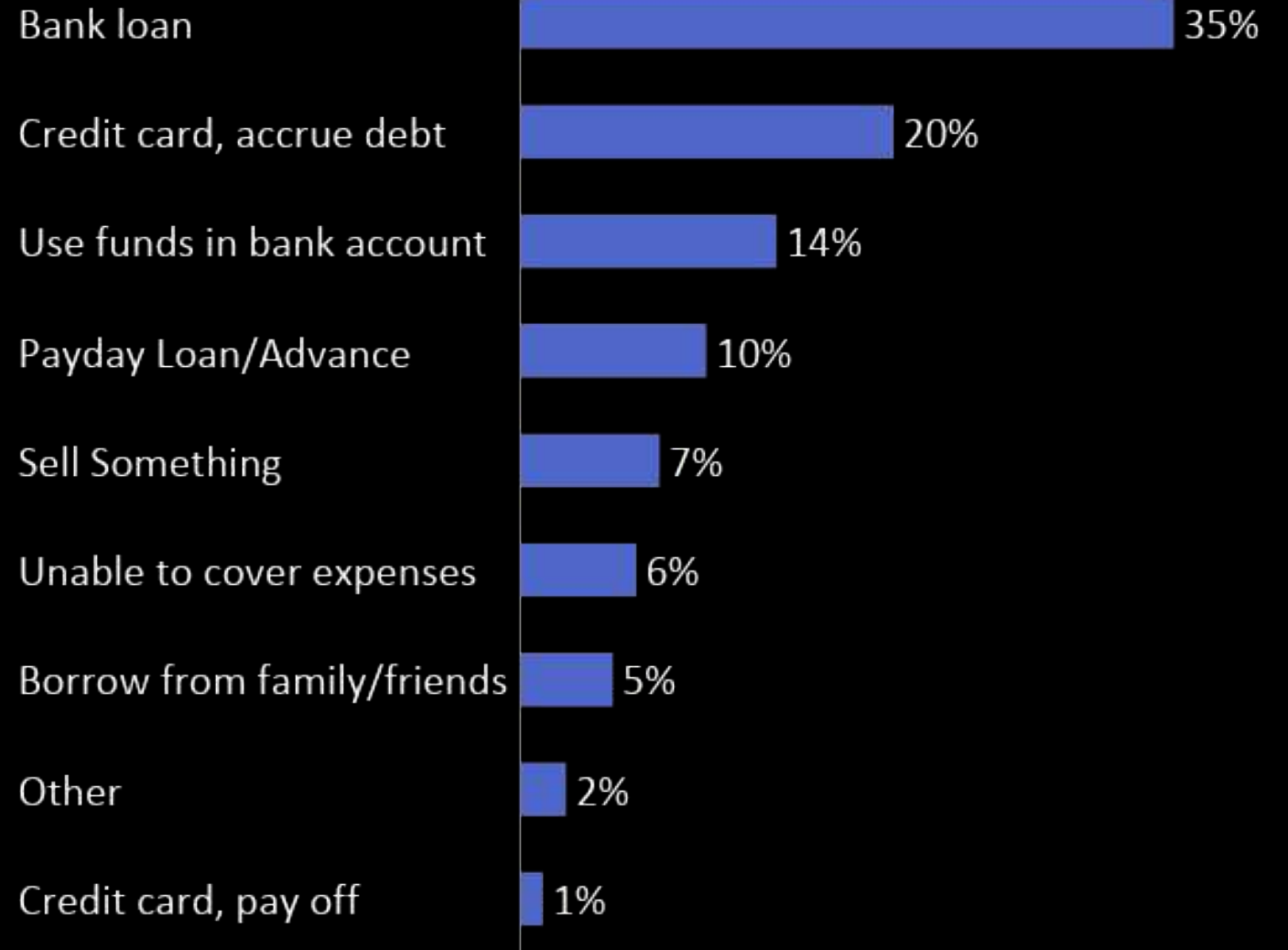
Most mothers don't have an emergency or rainy-day fund



Do you have an emergency or rainy-day fund that would cover your expenses for 3 months? (n = 80, 99%)

Covering Unexpected Expenses

Most mothers tap into lines of credit like bank loans or credit cards to cover unexpected expenses

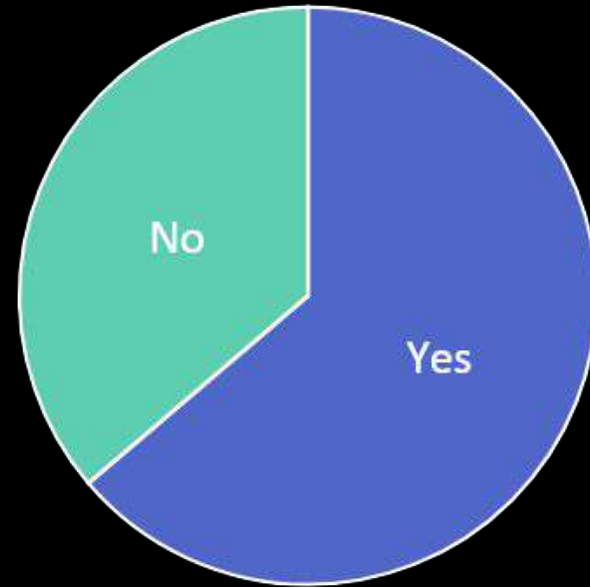


If you have unexpected expenses or are short for the month, what is the main way you cover your expenses? (n = 81, 100%)

Credit Card

Most mothers have a credit card

...and many carry unpaid credit card debt



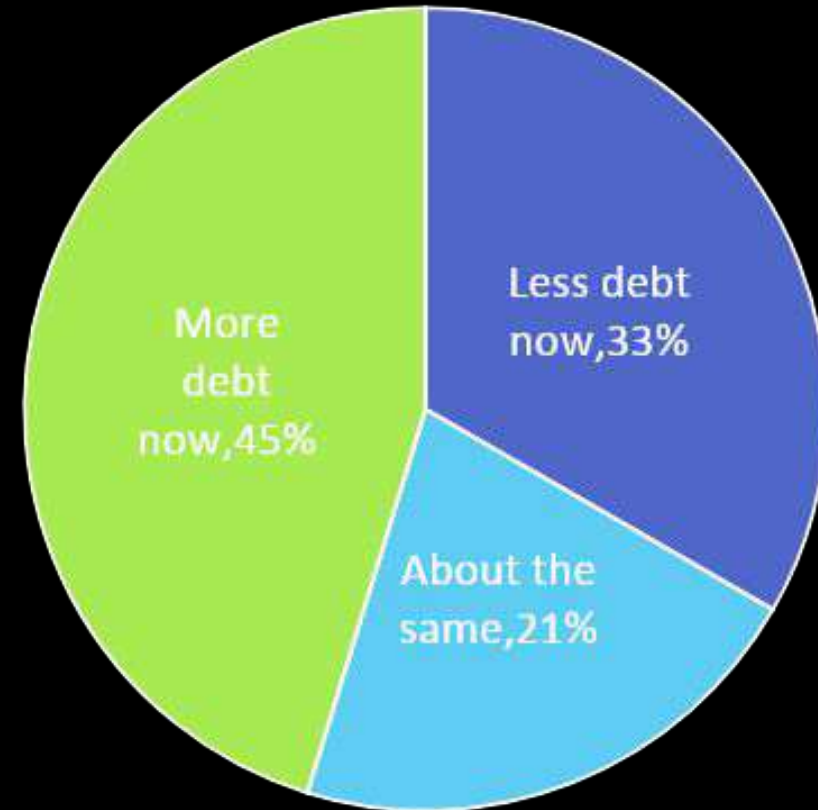
Do you have at least one credit card? (n = 80, 99%)



Do you currently have any unpaid credit card debt? (n = 52, 64%)

Credit Card

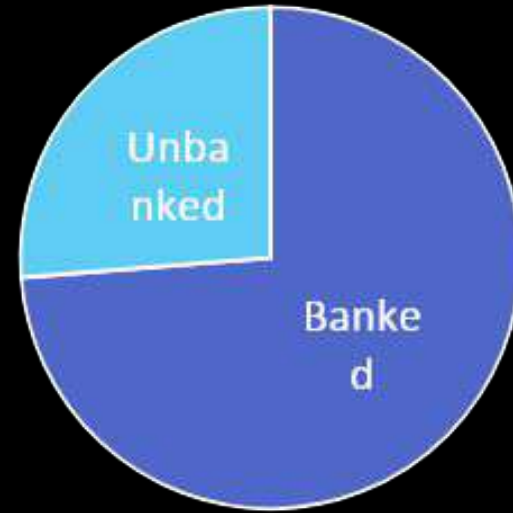
Many mothers reported carrying more debt this year than last year, but most have less or the same.



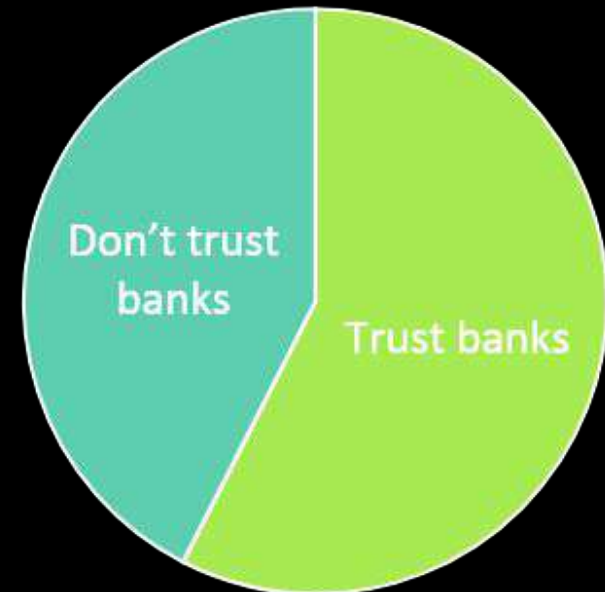
Do you currently have more, less, or about the same amount of credit card debt than you had 12 months ago? (n = 42, 52%)

Banking

Most mothers have a savings or checking account, but a smaller share trust banks to safeguard their money.



Do you own a checking or savings account?
(n = 80, 99%)



Do you trust banks to safeguard your money? (n = 80, 99%)

Alternatives to Banking

Just more than a quarter of mothers rely on payday loans or advances, pawn shop loans, or auto title loans to cover expenses



Pawn Shop/Auto Title Loan

68%

Payday Loan/Payday Advance

45%

Did you need to do any of the following to cover expenses in the past 12 months? (n = 22, 27%)



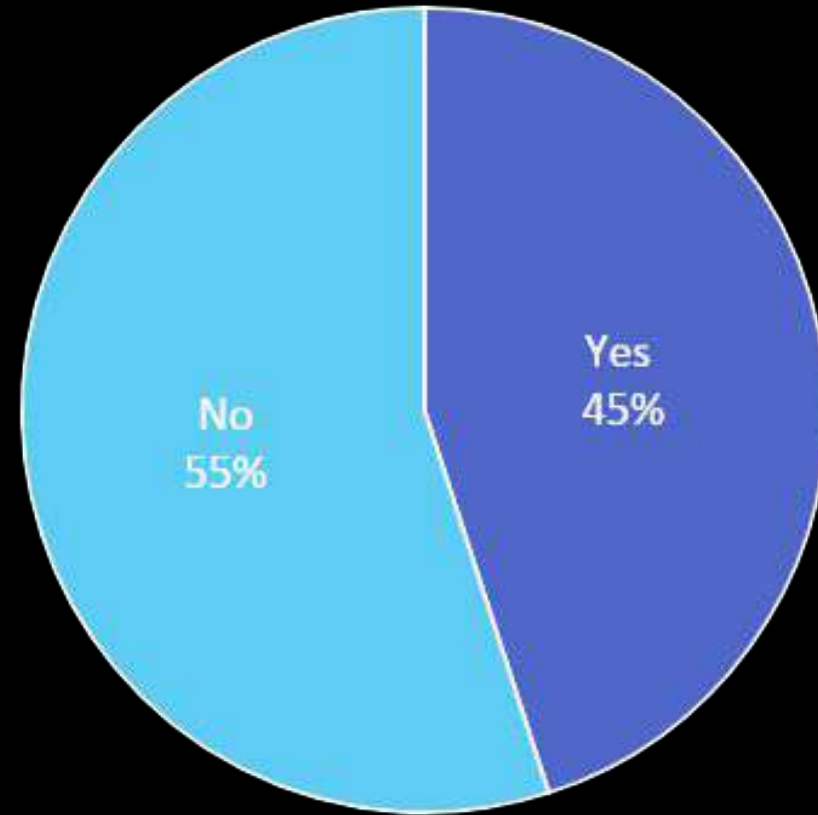
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Sacrifices

Types of Sacrifices:

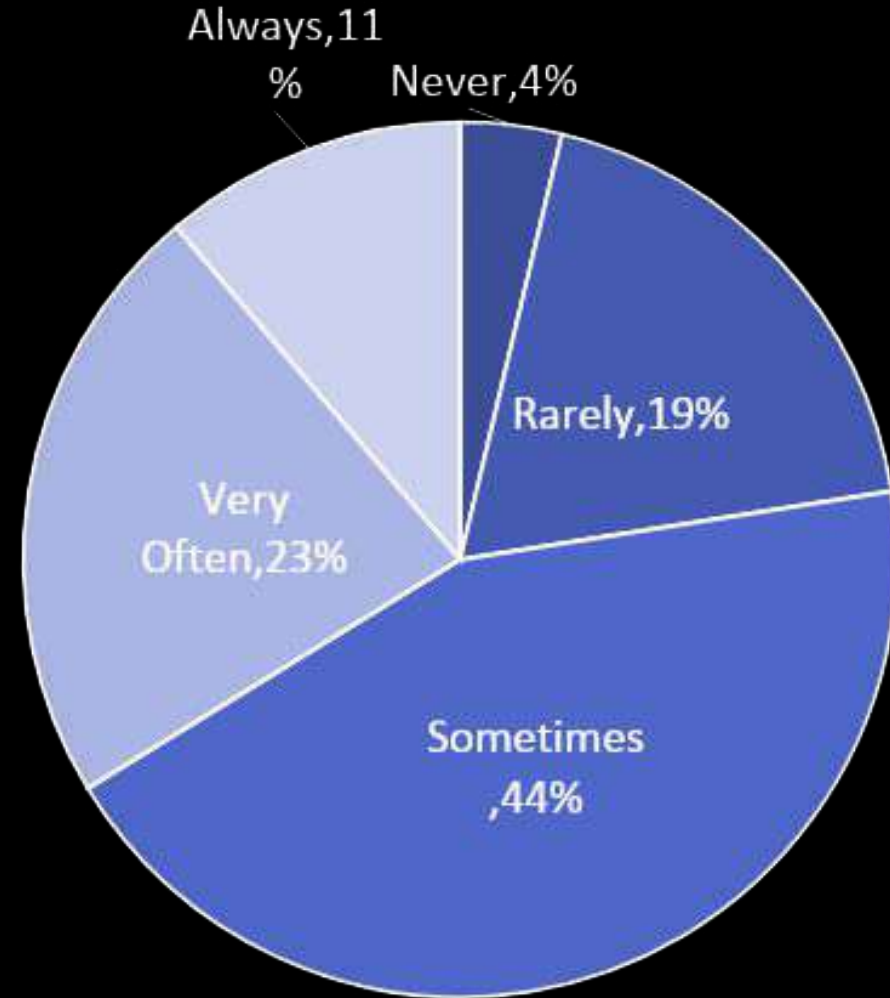
- Renting out room in home
- Picking up extra jobs
- Borrowing money from family and friends
- Reaching out to estranged family or ex-partners



This may be a sensitive topic, but have you ever had to make sacrifices or compromising decisions to provide for your family? (n = 80, 99%)

Mental Health

Most mothers' (77%) mental health is impacted by financial stress at least some of the time.



How often do financial worries affect your mental health?
(n = 80, 99%)



Mental Health

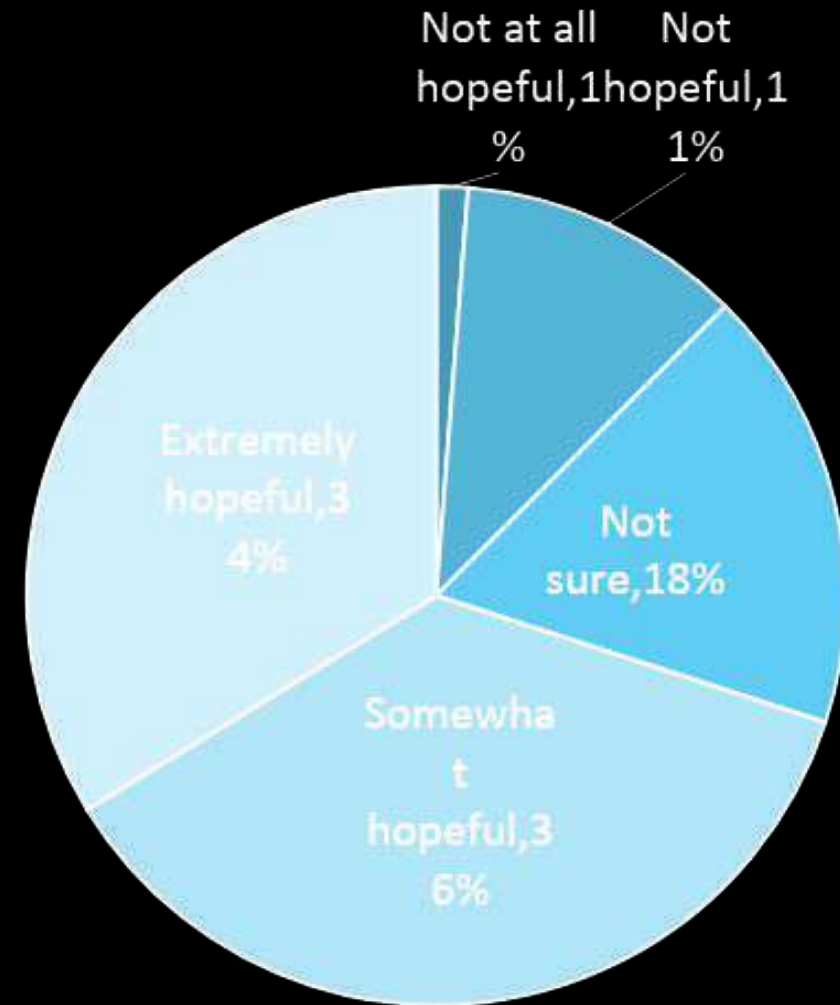
[Please tell me why you answered this way.]

Most Frequent Responses:

- Worried about bills, unexpected expenses, debt
- COVID/pandemic, job loss
- Worried about well-being of children (financial and emotional)
- Threat of homelessness
- Not seeing end to financial struggles

Hopefulness for children

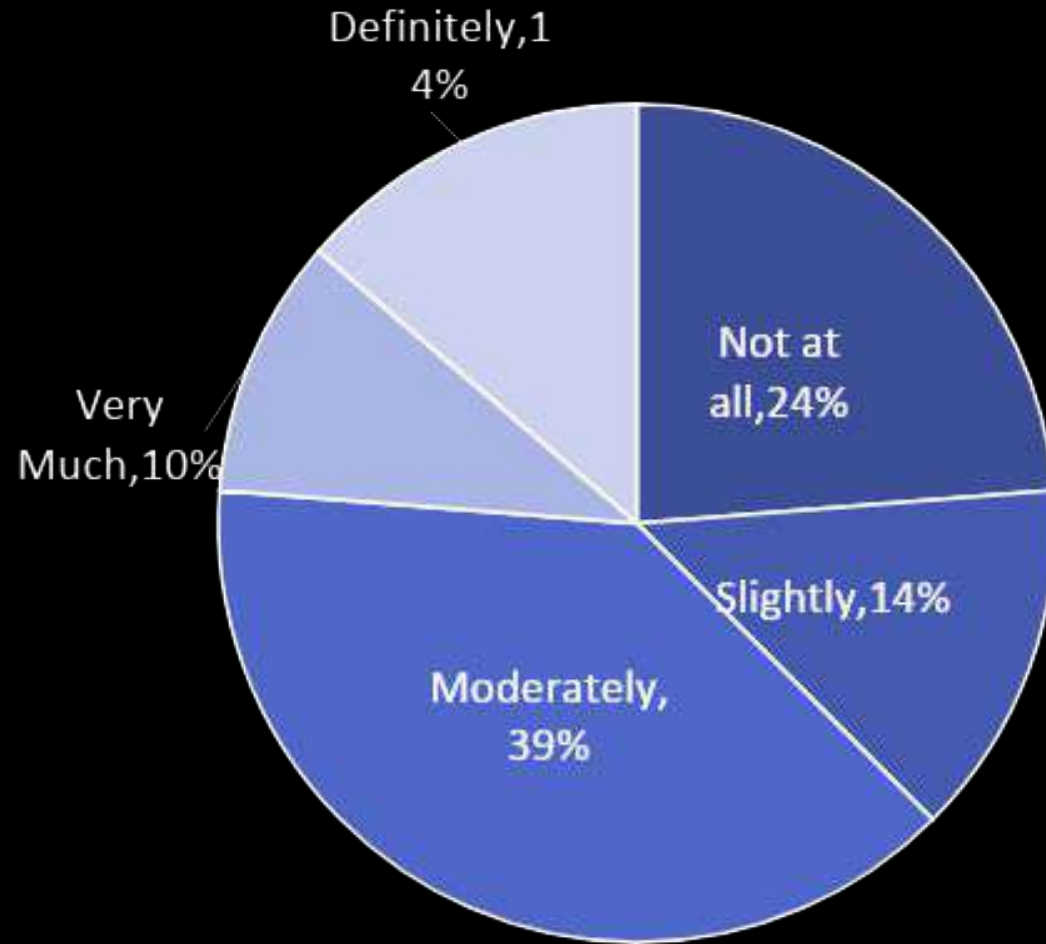
Many mothers (70%) are hopeful about their children's future.



How hopeful are you about your children's financial future?
(n = 80, 99%)

Resources for children

Though most mothers at least moderately felt they had the resources to help their children, about a quarter felt that was “not at all” the case.



Do you feel you have the resources you need right now to help your child be financially secure and successful in the future? (n = 80, 99%)

Aspirations:

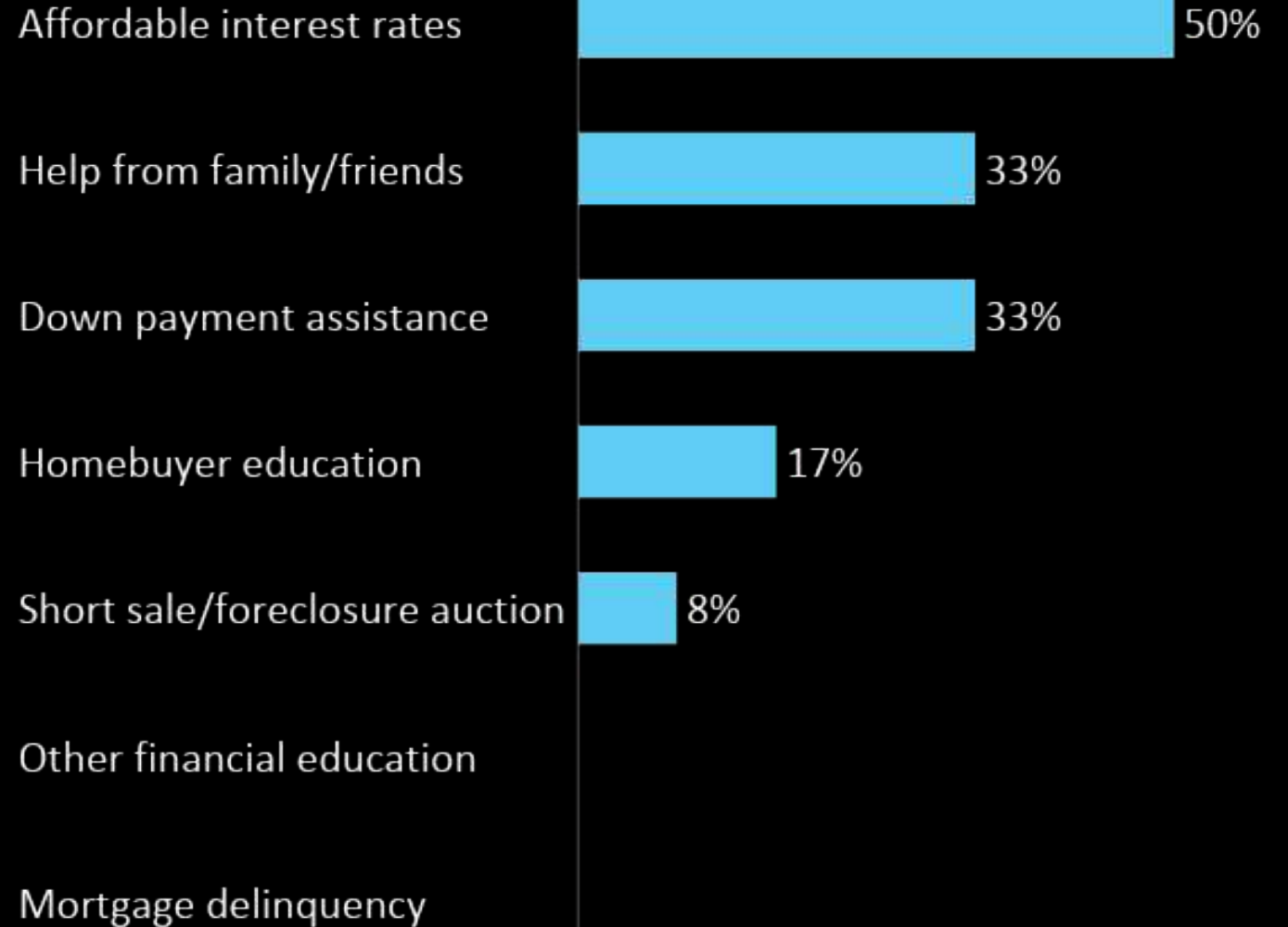
If money and debt weren't an issue, what dreams or goals would you have to become economically resilient or more financially stable?

Most Frequent Responses:

- Buy own home
- Start own business
- Further education
- Pursue specific career (doctor, nurse, chef/restauranteur)
- Pay for children's education
- Buy a car
- Set up children financially

Homeownership

Having affordable loans and interest rates was the most helpful for mothers that own their homes, followed by down payment assistance and help from family and friends.



Did any of the following help you to purchase your home?

(N = 10,150)



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Impacts of Wealth Stripping & Key Takeaways

- 85% of mothers find themselves short for the month – 20% on regular basis. The median reported monthly shortage was \$443.
- 84% of mothers don't have an emergency or rainy-day fund.
- 74% of mothers rent their home. 37% moved from their previous home because of raised rents and 13% from no-fault evictions.
- 77% of mothers have unpaid credit card debt.
- From those who rely on alternative lenders, 45% of mothers used payday loans or advances and 68% used pawn shop loans, or auto title loans to cover expenses.
- Most mothers' (77%) mental health is impacted by financial stress at least some of the time.

Pathways to Wealth and Financial Security

- Vulnerable women need protections and economic relief from job loss, raised rents due to the COVID/pandemic, such as rent moratoriums, CARES/HEROES Act stimulus payments or universal basic income programs being piloted in Stockton, Long Beach and Compton.
- Mothers need access to guaranteed income above and beyond what is currently available.
- Women need affordable and reliable financial products and services, such as micro-loan lending programs.