



Assets for Independence

Type of Grant: Discretionary Grant
2007 Appropriation: \$24.4 million

Legislative Authority:

Authorized under the Assets for Independence Act in title IV of the Community Opportunities, Accountability, and Training and Educational Services Human Services Reauthorization Act of 1998, P.L. 105-285. It was amended in December 2000.

Purpose:

Assets for Independence (AFI) enables community-based nonprofits and government agencies to implement and demonstrate an assets-based approach for giving low-income families a hand up out of poverty. AFI projects help participants save earned income in special-purpose, matched savings accounts called Individual Development Accounts (IDAs). Every dollar in savings deposited into an IDA by participants is matched (from \$1 to \$8 combined Federal and nonfederal funds) by the AFI project, promoting savings and enabling participants to acquire a lasting asset. AFI project families use their IDA savings, including the matching funds, to achieve any of three objectives: acquiring a first home; capitalizing a small business; or enrolling in postsecondary education or training.

Additionally, all AFI projects provide basic financial management training and supportive services, such as financial education on owning and managing a bank account or a credit card; credit counseling and repair; guidance in accessing refundable tax credits, including the Earned Income Tax Credit and the Child Tax Credit; and specialized training in owning particular assets for the long term.

Target Population:

Those eligible for Temporary Assistance for Needy Families (TANF), or those whose household assets do not exceed \$10,000 in value (excluding a residence and one car) and who are either eligible for the Earned Income Tax Credit, *or* have total household income of less than two times the Federal poverty line.

Eligible Applicants:

- Nonprofit organizations, including faith-based and community groups
- State, local, and tribal government agencies applying jointly with a nonprofit
- Community development financial institutions that partner with a community-based antipoverty group
- Low-income credit unions that partner with a community-based antipoverty group
- Consortia of organizations and agencies that target multiple service areas

Funding announcements are published annually at www.grants.gov and www.acf.hhs.gov/grants for review and application by interested organizations.

Federal Contact: Assets for Independence
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