535 Insights

Lafayette Square Institute

Missouri 5th District

Our mission is to bridge the gap between policymakers and investors to create economic security for workers and families.

We equip policymakers with data-driven insights to mobilize private capital to generate prosperity across the country. Our **535 Insights** series provides analytics specific to the constituencies of all 535 members of Congress.

10%
chance to become high-income with low-income parents[1]
RANK 301 OUT OF 435

33%
of residents have difficulty paying for usual expenses[2]
RANK 12 OUT OF 50

49%
of renters are burdened by housing costs[3]
RANK 207 OUT OF 435

51%
of businesses are at risk of succession[4]
RANK 149 OUT OF 435

The opportunity to build wealth and economic security is the foundation of the American Dream. This is how the Missouri 5th District is performing (ranked by desirability).

To revive the American Dream, the 5th District needs a strategy to promote economic opportunity.

HERE'S WHERE WE'RE STARTING:

Affordable Housing

By making it easier to finance **affordable housing** and the expansion of **home ownership**, we can help build strong communities where families will thrive.

Employee Ownership

By expanding **employee ownership** through **ESOPs**, we can create generational wealth for American workers while enhancing U.S. competitiveness.

Worker Benefits

By expanding and improving **workplace benefits**, we can build good jobs that help workers thrive and communities prosper.

Turn the page to see how the Missouri 5th District is doing on affordable housing, employee ownership and worker benefits.

Affordable Housing & Homeownership

Lafayette Square Institute

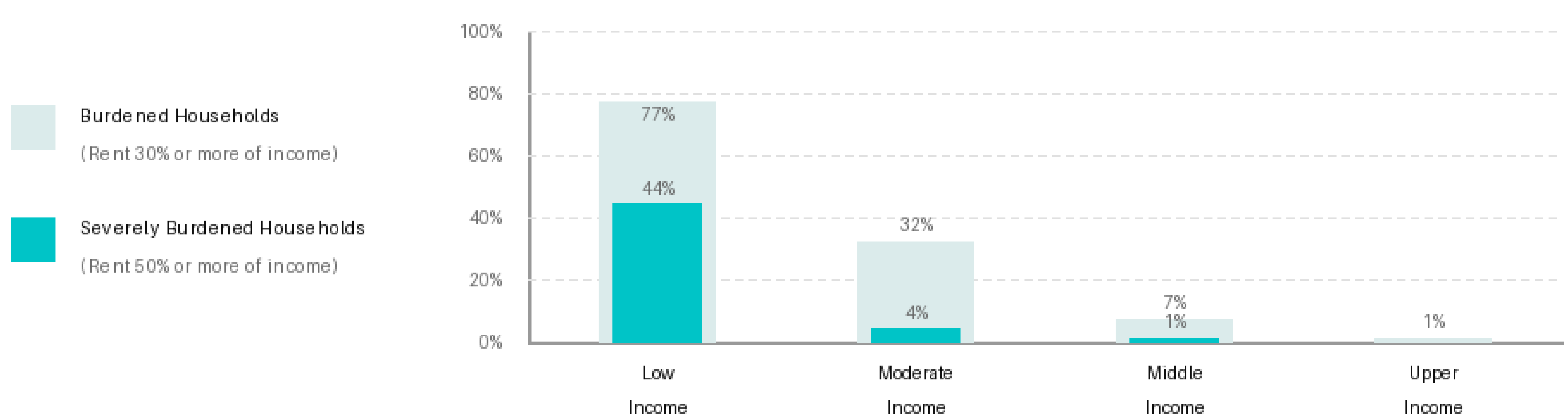
The Missouri 5th District is facing housing supply and affordability challenges. **This is contributing to unsustainable financial burdens for families and creates barriers to economic opportunity.**

38x	49%	27%	25%
is what a typical family owning a home has in net worth compared to a family renting[5]	of renters are burdened by housing costs[6]	of state residents are facing eviction or foreclosure[7]	of residents live in high poverty areas[8]
NATIONWIDE	**RANK 207 OUT OF 435**	**RANK 21 OUT OF 50**	**RANK 329 OUT OF 435**

The United States is 4 million homes short of meeting national demand, a shortfall that has almost doubled over the past decade.[9] **Missouri** has a shortfall of 31,811 units.[10] This undersupply contributes to rising housing costs which force working-class families to spend an unsustainable portion of their income on rent and pushes many households into neighborhoods with high poverty rates.[11] Research demonstrates that living in such areas makes it harder for kids to rise up the income ladder.[12] Housing cost-burdens are also rising for middle- and higher-income families, making the American Dream of homeownership increasingly unattainable—narrowing pathways for families to build wealth.[13]

Of the over $200 billion that has been invested annually in housing in recent years, only a fraction supports projects affordable for working-class families.[14] Innovative models capable of significantly boosting the supply of affordable housing exist but struggle to attract capital to scale. New policies, programs and financing tools are needed that redirect private capital into projects that promote financial stability and homeownership, and help build strong, resilient communities.

Rent Burden by Income in the 5th District[15]



$1154	$209K	58%
median rent[16]	median home value[17]	home ownership rate[18]
RANK 165 OUT OF 435	**RANK 99 OUT OF 435**	**RANK 348 OUT OF 435**

Learn more about affordable housing

Employee Ownership

The United States is confronting a **"silver tsunami"** of retiring business owners that are likely to sell their businesses over the next decade. Meanwhile, too many American workers and families are financially unprepared for retirement.

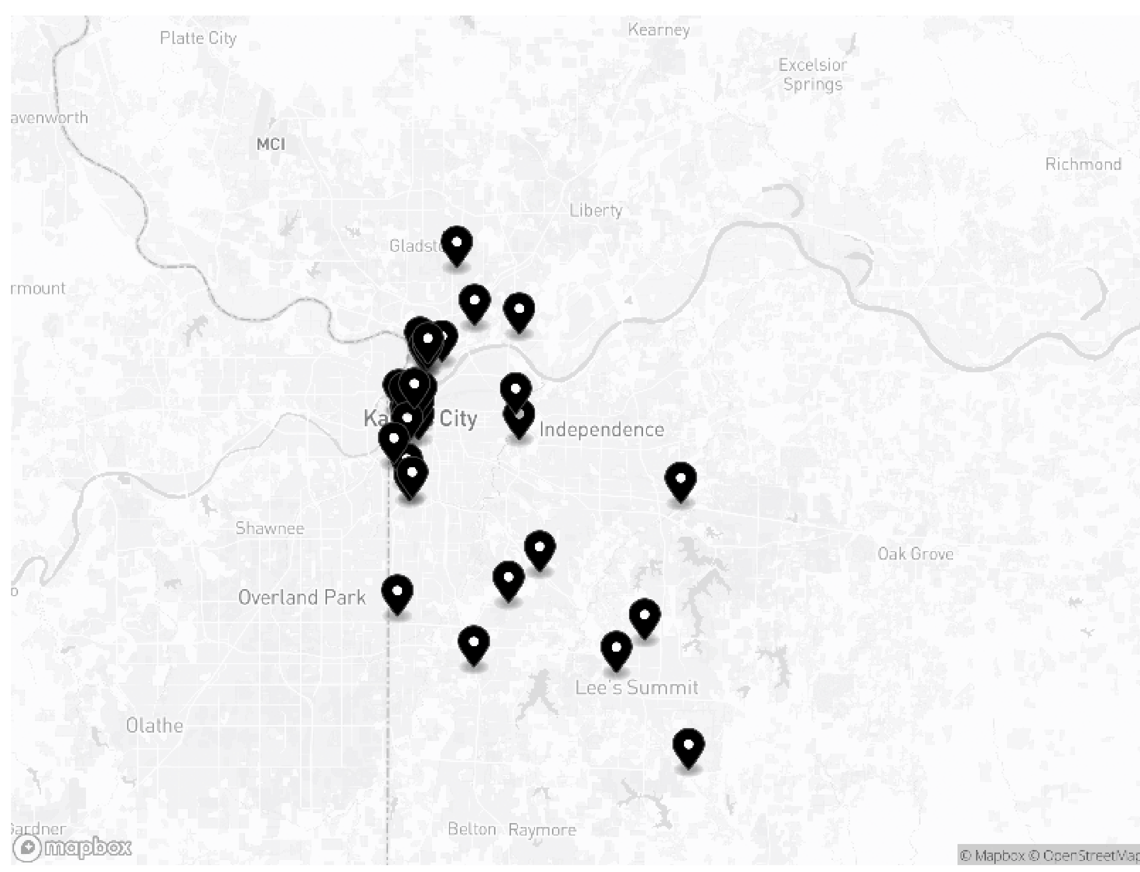
51%	17%	54%	-17%
of businesses have an owner aged 55 or older [19]	of businesses operate in critical industries and have an owner aged 55 or older [20]	of all Americans aged 15 to 64 have no retirement account [21]	reduction of retirement savings of working-class Americans 2022 vs. 2016 [22]
RANK 149 OUT OF 435	**RANK 394 OUT OF 435**	**NATIONWIDE**	**NATIONWIDE**

Without a policy strategy to address business succession, we risk the loss of American businesses and their local jobs. Too often, the sale of a business to an out-of-state or foreign buyer results in the loss of local jobs and investment. With many businesses in critical industries—e.g., those with implications for national and economic security—facing the challenges of business succession, promoting employee ownership can be part of a broader competition framework to maintain our leadership in strategic sectors while investing in American workers.

What is an ESOP? Employee Stock Ownership Plan (ESOP) is both a retirement plan and corporate finance vehicle that allows retiring business owners to sell their business to employees. Employees do not pay for their shares—employee ownership is instead an incremental benefit on top of wages and benefits. ESOPs have been demonstrated to create over 2.5 times more retirement wealth for workers—in addition to superior pay and benefits—compared to traditional companies.[23] Employee-owned businesses have also been shown to innovate more frequently and exhibit greater resilience during an economic downturn.[24]

As baby boomers prepare to retire and sell their businesses, ESOPs can play an important role in maintaining domestic ownership and productive capacity across manufacturing and other strategic sectors—a win-win for U.S. economic security and for American workers across the country.

Privately Held ESOP Companies in Missouri 5th District



33	28.0K	$310K
privately held ESOP companies [25]	employee owners in local ESOP companies [26]	average ESOP balance per employee [27]
RANK 22 OUT OF 435	**RANK 7 OUT OF 435**	**RANK 20 OUT OF 435**

Learn more about employee ownership

Job Quality and Worker Benefits

Lafayette Square Institute | Worker Solutions

States and local jurisdictions have the opportunity to develop an employee benefits agenda to increase benefits access, close participation gaps and improve worker financial security.

11%
full-time workers without health insurance[28]
RANK 303 OUT OF 435

N/A
childcare costs as a share of median family income[29]
NOT AVAILABLE

39%
households unable to cover a $2,000 emergency from savings[30]
HIGH CONFIDENCE ESTIMATE
RANK 320 OUT OF 435

67%
labor force participation[31]
RANK 91 OUT OF 435

Too many workers lack access to benefits that make work secure and sustainable. Across the country, employer-sponsored benefits like health insurance and retirement savings are out of reach for millions of working people. Gaps in access to these benefits lead to rising rates of medical debt, student loan default, and underinsurance. These effects are even more pronounced among lower income workers who are 3-4 times less likely to participate in medical and retirement benefits.[32]

The growing benefits gap leaves working families vulnerable to economic insecurity, with limited tools to build savings and assets. As a result, many workers make tradeoffs between immediate needs and long-term financial stability. The workplace benefits gap is particularly acute for small and medium-sized businesses (SMBs), which employ 46 percent of the private American workforce.[33] These small and mid-sized employers often face challenges in navigating the cost, complexity, and suitability of available benefit options for their employees.

Strong worker benefits drive economic growth. Businesses that offer competitive benefits keep workers longer and see better performance. Workers with access to health coverage, retirement savings, and childcare are less burdened by financial stress and able to invest in their futures. The whole economy benefits from a more stable and productive workforce.

Living Wage in Missouri 5th District[34]

High Confidence Estimate

	1 Adult	1 Adult 1 Child	2 Adults 1 Child	2 Adults 2 Children
Living Wage	$21.09	$35.59	$20.05	$25.31
Median Wage	$22.04	$22.04	$44.07	$44.07
Annual Difference	$1976.00	-$28184.00	$49961.60	$39020.80

RANK 92 OUT OF 435 by annual difference for one adult, assuming a full-time 2080 hours worked per year, 2023 data, see footnote for details.

10%
residents aged 65 or older in poverty[35]
RANK 277 OUT OF 435

8%
residents with medical debt[36]
HIGH CONFIDENCE ESTIMATE
RANK 363 OUT OF 427

19%
residents with student loan debt[37]
HIGH CONFIDENCE ESTIMATE
RANK 385 OUT OF 435

Learn more about Job Quality

Let's talk.

Connect with us at 535@lafayettesquareinstitute.org

Want to learn more?

Visit our website!

1. Chetty, R. et al. Opportunity Insights, Harvard University, 2018, *The Opportunity Atlas: Mapping the Childhood Roots of Social Mobility: All Outcomes by Census Tract, Race, Gender and Parental Income Percentile*: Averaged chance of children born 1980 in the 1st and 25th income percentile to reach the 80th or higher income percentile as adults.

2. U.S. Census Bureau, 2024, *Household Pulse Survey, Phase 4.2, Cycle 09*: Percentage of adults in households where it has been somewhat or very difficult to pay for usual household expenses in the last 7 days.

3. U.S. Census Bureau, 2023, *ACS, 5-Year Estimates: Selected Housing Characteristics.*

4. LSI calculation based on Project Equity, 2023, *Silver Tsunami*; U.S. Census Bureau, 2021, *Annual Business Survey: Characteristics of Business Owners (Employer Businesses)* and U.S. Census Bureau, 2021, *Statistics of U.S. Businesses Annual Data Tables by Establishment Industry: State by congressional district, NAICS sectors.*

5. Federal Reserve Board, 2023, *2022 Survey of Consumer Finances: Median Net Worth by Family Characteristics. Median Net Worth by Family Characteristics.*

6. See (3).

7. U.S. Census Bureau, 2024, *Household Pulse Survey, Phase 4.2, Cycle 09*: Percentage of adults in households not current on rent or mortgage where eviction or foreclosure in the next two months is either very likely or somewhat likely.

8. LSI *Percent of people living in Census Tracts with 20 or more percent of poverty.* U.S. Census Bureau, 2023, *ACS, 5-Year Estimates: Age and Sex and Poverty Status.*

9. Up for Growth, 2023, *2023 Housing Underproduction in the United States.*

10. Up for Growth, 2023, *2021 Housing Underproduction by State.*

11. Benzow, A. and Fikri, K. Economic Innovation Group, 2020, *The Expanded Geography of High-Poverty Neighborhoods.*

12. Chetty, R. et al. Opportunity Insights, Harvard University, 2022, *Social Capital and Economic Mobility.*

13. Anderson, D. Redfin, 2024, *Nearly 40% of Renters Think They'll Never Own a Home, Up From 27% Last Year.*

14. CCBRE, 2022, *U.S. Real Estate Market Outlook 2022: Multifamily.*

15. LSI, U.S. Department of Housing & Urban Development, 2024, Comprehensive Housing Affordability Strategy 2021 5-Year Estimates. Income Groups: Low = <50% of area median income (AMI), Moderate = 50-80% AMI, Middle = 80-120% AMI, Upper = > 120% of AMI. National Averages for comparison: Burdened (76%, 45%, 16%, 3%), Severely Burdened (50%, 7%, 1%, 0%).

16. See (3).

17. Ibid.

18. Ibid.

19. See (4).

20. Ibid for owner ages per industry. LSI; identifying critical industries using the U.S. Department of Commerce, 2024, *Critical Sectors and Key Goods for Potential Cooperation under the IPEF Supply Chain Agreement* and the Department of Defense, 2024, *National Critical and Emerging Technologies.*

21. U.S. Census Bureau, 2021, *Survey of Income and Program Participation.*

22. Federal Reserve Board, 2023, *2022 Survey of Consumer Finances*: Mean retirement savings among those with an individual retirement account or a defined contribution plan, 0–49.9 percentile of usual income, 2016–22 surveys.

23. National Center for Employee Ownership, 2018, *Research on Employee Ownership, Corporate Performance, and Employee Compensation;* Kruse, D. IZA World of Labor, 2016, *Does Employee Ownership Improve Performance?* And Employee Ownership Foundation, Rutgers School of Management and Labor Relations, 2020, *Employee-Owned Firms in the COVID-19 Pandemic: How Majority-Owned ESOP & Other Companies Have Responded to the COVID-19 Health and Economic Crises.*

24. Ibid.

25. National Center of Employee Ownership, 2024, *ESOP Database 2023.* Note: Some public companies feature low percentages of ESOP ownership. We present privately held company data only given our focus on business succession risk.

26. Ibid. For privately held ESOP companies.

27. Ibid. For privately held ESOP companies.

28. U.S. Census Bureau, 2023, ACS, 5-Year Estimates: *Health Insurance Coverage Status and Type by Work Experience.*

29. LSI, U.S. Department of Labor, Women's Bureau, 2025: *National Database of Childcare Prices: 2008-2022. Median annual cost of full-time childcare for one toddler in center as a share of median family income.* 2022 data except for Arkansas and Vermont (2021 data) and Pennsylvania (2020 data). Data not available for Indiana, Missouri, and New Mexico. See below for LSI County to Congressional District Imputation Method.

30. LSI, Urban Institute, 2024: *Financial Health and Wealth Dashboard 2022, PUMA and State emergency savings data, 2019.* See below for LSI PUMA to Congressional District Imputation Method.

31. U.S. Census Bureau, 2023, ACS, 5-Year Estimates: *Selected Economic Characteristics.*

32. U.S. Bureau of Labor Statistics, 2024: *Employer Benefits in the United States – March 2024.*

33. Ibid., U.S. Small Business Administration, *2023: Frequently Asked Questions March 2023.*

34. Massachusetts Institute of Technology, 2023: *Living Wage Calculator,* LSI estimate of Median Wage using U.S. Bureau of Labor Statistics, 2024: *Quarterly Census of Employment and Wages 2023 Q1-Q4*, Mean Wage multiplied by 0.67607, the ratio of Median to Average Compensation from U.S. Social Security Administration, 2025: *Measures of Central Tendency for Wage Data*. See below for LSI County to Congressional District Imputation Method.

35. U.S. Census Bureau, 2023, ACS, 5-Year Estimates: *Poverty Status in the Past 12 Months by Sex by Age.*

36. LSI, Urban Institute, 2024: *Debt in America 2024, State and County medical debt data 2023.* Data not available for Colorado. See below for LSI County to Congressional District Imputation Method.

37. LSI, Urban Institute, 2024: *Debt in America 2024, State and County student loan debt data 2023.* See below for LSI County to Congressional District Imputation Method.

All data sourced and managed with the support of Potomac X Lafayette Square.

LSI County and PUMA to Congressional District Imputation Methods

Congressional District Estimate based on LSI imputation method using Geocorr 2022: Geographic Correspondence Engine, 2020 County and 2010 PUMA to 119th Congressional District, crosswalks weighted by population.

High Confidence Estimates: Districts where at least 75% of the population comes from counties or PUMAs that contribute at least 80% of their population to the district, and the largest county or PUMA contribution is at least 85%.

Medium Confidence Estimates: Districts where either at least 40% of the population comes from well-aligned counties or PUMAs (contributing at least 80% of their population), or the largest county or PUMA contribution is at least 60% with fewer than 4 poorly aligned counties or 3 poorly aligned PUMAs (contributing <50% of their population).

Lower Confidence Estimates: All remaining districts with lower alignment.

Use County Data: Districts where at least 85% of the district population comes from a single county that contributes less than 80% of its population to the district, for example Los Angeles County that spans 17 districts.

Lafayette Square Institute