

B2F BLACK TO
THE FUTURE
ACTION FUND

BLACK ECONOMIC AGENDA

A Policy Roadmap to Improve Economic
Opportunities for Our Black Communities

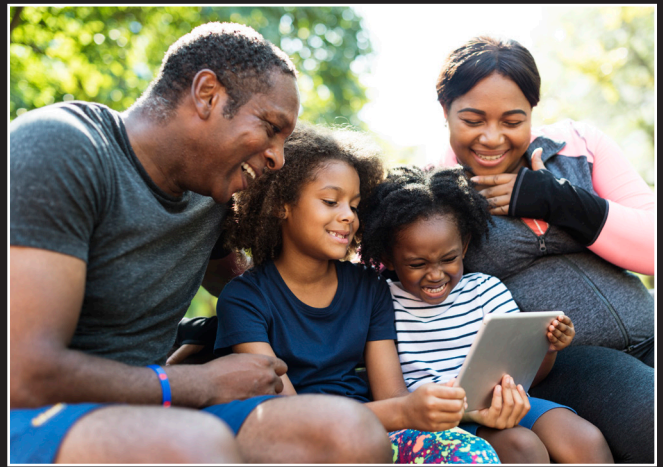


Table of Contents

EXECUTIVE SUMMARY	<u>3</u>
INTRODUCTION	<u>13</u>
Why We Need A Black Economic Agenda	<u>16</u>
History of the Economy and Black People	<u>17</u>
BLACK ECONOMIC AGENDA	<u>20</u>
Wages and Worker Protections	<u>22</u>
Thriving Communities	<u>27</u>
Housing	<u>27</u>
Health Care	<u>33</u>
Childcare	<u>37</u>
Higher Education	<u>43</u>
Budget and Taxes	<u>48</u>
TAKE ACTION	<u>54</u>
ACKNOWLEDGEMENTS	<u>55</u>

Executive Summary

The Black Futures Lab works to make Black communities powerful in politics, so that we can be powerful in the rest of our lives. Founded in 2018, the Black Futures Lab believes that Black people deserve what all communities deserve – dignity, safety, and power. We believe that this country is better when everyone has an opportunity to thrive and that it is the responsibility of the government to create conditions for this to occur. We build power with Black communities by educating, motivating, and activating Black voters, changing the story of who we are and what we're capable of, and providing training for Black organizations to be powerful inside and out.

In 2018, Black Futures Lab launched the Black Census Project. Black communities are often talked about but are rarely asked for our input – what we care about, what we need, and what we want for our futures. Black communities are inundated with misinformation and disinformation about our priorities and the policies we need to change the conditions in our lives. And, every election cycle, political parties and pundits lament about whether Black communities will show up to the polls and cast a vote or stay home. Rarely is the question asked: did policymakers and politicians work hard enough for Black communities?

The Black Census seeks to offer a solution. Believed to be the largest survey of Black people in United States history, our Census provides insightful views about politics, society, and the opportunities and challenges facing Black communities and the nation. It captures the everyday experiences of Black Americans, and frames not only our priorities, but what we need to flourish. In 2022, BFL continued its research of Black communities, surveying over 200,000 Black people across the country in a second Black Census. Our findings continue to spotlight the Black experience in America, building on our 2018 findings, including what we continue to face and what has changed. This Black Census was particularly important as it was taken after three years of the COVID-19 pandemic and right after the Trump presidency. The results uncovered increased poverty rates, income and health disparities and a need for the Government to bolster policies that offer real solutions for Black Americans.





This Black Economic Agenda is a series of policy recommendations generated from the 2023 Black Census and a series of supplemental focus groups. The agenda translates our findings into a policy platform, useful for several audiences, including policymakers, candidates, advocates and the public. For policymakers and candidates, the agenda identifies policy holes and provides suggested fixes, including long-term policy solutions to improve Black lives. For advocates, the agenda includes helpful data to build policy campaigns and push policymakers to be more accountable to Black people. Finally, condensed versions of the agenda will be created so that we can get it into the hands of as many Black people as possible, including at the doors, on the streets and virtually. The Black Economic Agenda only works and becomes alive if we use it — as elected officials, candidates, activists and voters.

We started with an economic agenda because when Black Census participants were asked about the most important problems facing Black communities, economic issues rose to the top. Of the 17 most important problems polled by the Black Census, six were economic issues, four of which ranked in the top tier of concerns. These issues include low wages, schools that fail to prepare our children, lack of affordable housing, and lack of affordable health care.

The experience of economic insecurity is personal for many of the Census respondents. Black people are worried about the rising costs of living and low wages that are not enough to sustain themselves or their families: “[You] used to be able to get a few groceries for a hundred dollars. Now you come out of the store, it feels like you only got two bags in your hand...everything is just getting sky high. I see people losing their houses and stuff,” described Kevin M., 52 from Georgia, a participant in a focus group of low-income individuals.

Black Census respondents strongly support policies that would make Black people more economically secure, including guaranteeing higher wages and increasing affordable housing, health care, childcare, and college education—data is interspersed throughout this agenda. And yet, in all aspects of the economy, whether being able to thrive in the labor market, having capital to build a secure future, or being able to take care of the daily needs of our families, Black people are at a disadvantage.



Explanations for why these disparities exist often blame the individual instead of structural barriers created by discriminatory laws and statutes. But the answer is simple—the wealth gap is the direct result of policies that have limited Black people to low- or no-wage jobs, barred us from owning property, and excluded us from participating in government programs designed to boost the middle class. The result is that white households hold nearly eight times the median wealth of Black families – disparities that only grew during the COVID-19 pandemic.¹

We can level the economic playing field and strengthen our democracy so that Black people have the freedom to shape our own, and our nation's, destiny. But doing so will require the local, state, and federal governments to take action to bridge the gaps. The Black Economic Agenda seeks to remedy the government-sanctioned policies and practices that suppress Black communities, limit our opportunities, and prevent us from flourishing. Even though our political system, laws, and policies have continually erected barriers to Black prosperity, Black communities still believe deeply in the important role that government plays in our democracy, and we expect the government to do its job.

¹Emily Moss, Kriston McIntosh, Wendy Edelberg, and Kristen Broady. "The Black-white wealth gap left Black households more vulnerable." Brookings Institute, December 8, 2020. <https://www.brookings.edu/articles/the-black-white-wealth-gap-left-black-households-more-vulnerable/>.



Government Assistance

In 2018, 86 percent of Black Census respondents believed that it is the role of the government to solve economic problems and bridge the gap between the rich and the poor. Four years later, government assistance remains popular with 65 percent of respondents in favor of expanding and increasing government aid for people who need it. Economic security programs in forms such as tax credits, housing assistance, and loan forgiveness have been very effective at reducing poverty and racial disparities over the last half century.² Most recently during the COVID-19 pandemic, Child Tax Credits helped keep 716,000 fewer Black children out of poverty, and child poverty overall reached a historic low.³ Economic security programs can offer assistance to people who have been disproportionately excluded from economic opportunities, whether that is in the workforce or housing market. At all levels of government, more can be done to strengthen the scope and reach of government assistance programs to benefit even more individuals and families.

Below, we include priority policy solutions for each area where we see the most pressing needs, based on what Black Census respondents shared, and where there is potential for immediate impact on people's lives. For this agenda we focus on state solutions that governors and legislatures can use to help improve the conditions for Black people in their states. In some instances, this provides much needed supplements to the work of the federal government and in other circumstances, creates innovative policy solutions where states can lead.

The Black Economic Agenda, created for us and by us, urges elected officials and governments to make Black people powerful in the economy and in our communities by policies in the following areas:

1. **Wages and Worker Protections:** Livable wages and workplace protections
2. **Thriving Communities:** Policies that impact not only how Black people live, but also their quality of life
3. **Budget and Taxes:** How states raise tax dollars and invest them impacts our communities

One clear take away from the Black Census and the history outlined in this Agenda is that economic constraints on Black people cannot be fully disentangled from each other. Addressing one without considering the others ignores the reality of how we live, raise families, and thrive. Addressing one without the other also ignores how poverty is created and maintained. While we group the issues identified from the Black Census into themes below, we know that all of these issues must be addressed holistically in order to make and sustain change.

² Danilo Trisi and Matt Saenz. "Economic Security Programs Reduce Overall Poverty, Racial and Ethnic Inequities." Center on Budget and Policy Priorities, July 1, 2021. <https://www.cbpp.org/research/poverty-and-inequality/more-than-4-in-10-children-in-renter-households-face-food-and-or>

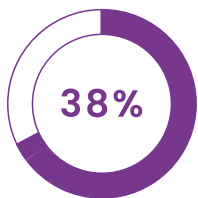
³ Elise Gould. "Child Tax Credit expansions were instrumental in reducing poverty rates to historic lows in 2021." Economic Policy Institute, September 22, 2022. <https://www.epi.org/blog/child-tax-credit-expansions-were-instrumental-in-reducing-poverty-to-historic-lows-in-2021/>



Wages and Worker Protections

In the 2023 Black Census, low wages were identified as the most important problem facing rural and urban Black communities. Thirty-eight percent of respondents listed wages too low to support a family as their top concerns – five percent more than any other issue. For decades, Black Americans have been locked into jobs that are low paying. Both from Black Census respondents and national research and data, we know Black people are more likely to work jobs in which they make minimum wage or just above minimum wage. Low wages trap workers into a cycle of survival and keep the wealth gap intact, especially in the face of high costs of living and rising inflation. To address this cycle of low wages, Black Futures Lab’s priority policy solutions include:

- Raise minimum wage to at least \$17 per hour, with ongoing annual increases that account for the rising cost of living.
- Protect workers by guaranteeing basic rights and labor protections, including passing domestic workers bill of rights and workers’ right to organize.
- Take actions to enforce workplace standards.
- Expand Paid Family and Medical Leave Laws so people have the time they need to care for themselves and their families.



Black Census respondents listed wages too low to support a family as their top concern



more than any other issue low wages were identified as the most important problem facing rural and urban Black communities



Thriving Communities

Our Black Economic Agenda calls for policies that help build thriving communities for Black people. We define thriving communities as one where all people have resources to live stable and satisfied lives with enough resources to take care of themselves and their families. The lack of access to affordable housing, health care, education, and childcare were mentioned throughout the Black Census as daily concerns. These factors impact not only how people live, but also their quality of life. We want to build communities that enable all people, regardless of economic status, to have the resources they need to take care of themselves and their families and maintain overall stability.

Housing

Black Americans are feeling the pressure of being able to find and maintain housing, especially Census takers in the Northeast, West, and South, as costs for renting and purchasing property increase. Respondents listed the lack of affordable housing as the second most pressing economic issue facing Black people in the country today and the fourth most pressing issue overall. Income barriers, insufficient credit, and inability to afford a down payment regularly keep Black people from owning a home. Renters are also struggling with affording their rent and from lack of protections against displacement and eviction. Priority policy solutions include:

- Widen homeownership options by developing programs to preserve and expand housing affordability and availability.
- Make mortgages more obtainable by incorporating timely rent payments in credit history and credit scores.
- Preserve and increase affordable housing by modernizing local zoning and land use regulations.
- Secure rent stabilization laws and increase tenant protections to reduce risk of displacement and homelessness.





Health Care

Lack of affordable health care ranked in the top tier of Black Census concerns and was the fourth most pressing economic issue for respondents. Good health is an indicator of a functioning society and critical to a functioning economy. However, Black people face significant barriers to accessing and utilizing health care, and as a result, experience worse health outcomes compared to white people. Black Americans are uninsured at 10.6 percent compared to 6.3 percent of white Americans.⁴ However, there is a glimmer of progress: the percentage of Black Americans who lack medical insurance has dropped substantially as a result of the adoption of the Affordable Care Act.⁵ Unfortunately, this progress depends on where people live. To date, ten states have failed to expand Medicaid eligibility under the ACA, keeping nearly 1 million Black American adults from gaining health insurance.⁶ Priority policy solutions include:

- Expand health coverage to residents of states that have not expanded Medicaid under the Affordable Care Act (ACA).
- Provide subsidies for health insurance to reduce health care costs in states with federal health care coverage.

Uninsured Healthcare Americans	
Black Americans	10.6%
White Americans	6.3%
4.3% Difference between the two different groups	

⁴ Sofia Carratala and Connor Maxwell. "Health Disparities by Race and Ethnicity." Center for American Progress, May 7, 2020. <https://www.americanprogress.org/article/health-disparities-race-ethnicity/>

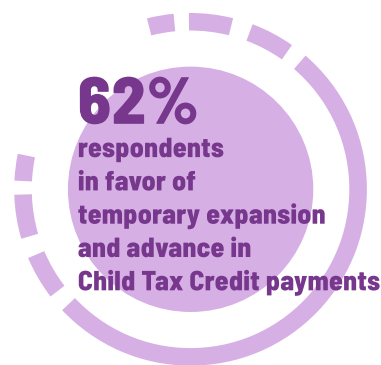
⁵ Jesse C. Baumgartner, Sara R. Collins, David C. Radley. "Inequities in Health Insurance Coverage and Access for Black and Hispanic Adults." The Commonwealth Fund, March 16, 2023. <https://www.commonwealthfund.org/publications/issue-briefs/2023/mar/inequities-coverage-access-black-hispanic-adults>

⁶ Matthew Buettgens and Urmi Ramchandani. "Coverage Gains if 10 States Were to Expand Medicaid Eligibility." Robert Wood Johnson Foundation, October 23, 2023. <https://www.rwjf.org/en/insights/our-research/2023/10/coverage-gains-if-10-states-were-to-expand-medicaid-eligibility.html>



Childcare

Not being able to secure affordable childcare keeps Black people from being able to work. Black parents are nearly two times more likely than white parents to have to quit, turn down, or make a major change in their job due to childcare disruptions.⁷ The lack of affordable childcare particularly impacts Black women. According to the Black Economic Alliance, childcare assistance increases employment anywhere from 5 to 21 percent among single mothers. Black Census respondents saw the value of providing child care support directly to individuals to help fill this gap: 62 percent of respondents were in favor of the temporary expansion and advance in Child Tax Credit payments that families received from the federal government in 2021. Additional funding from the American Rescue Plan Act, which helped to keep the vast majority of childcare centers afloat during the COVID-19 pandemic, expired on September 30, 2023. Recognizing the hardship the severe reduction in federal funds is going to cause, the majority of states have earmarked state dollars to take up some of the slack. The goal now is to ensure that these resources remain in state budgets and address the needs of Black families. Priority policy solutions include:



- Pay childcare workers competitive wages.
- Consolidate childcare services and agencies to make it easier for families to access early childhood services.
- Subsidize payment for trusted adults to provide childcare.

⁷The White House. "The Biden-Harris Administration Advances Equity and Opportunity for Black Americans and Communities Across the Country." February 23, 2023. <https://www.whitehouse.gov/briefing-room/statements-releases/2023/02/27/fact-sheet-the-biden-%E2%81%A0harris-administration-advances-equity-and-opportunity-for-black-americans-and-communities-across-the-country/>



Higher Education

Higher education has always been thought of as a gateway to success, and is largely believed to be what will equalize the racial wealth gap between white and Black Americans. However, data suggests that without policy changes, this is not the case. Starting early in their educational careers, Black children have on average less access to quality education, an issue that ranked as the third most prevalent issue overall to Black census takers. The other great impediment to college success are economic disparities. Sixty eight percent of Black Census respondents strongly favor making college affordable for anyone who wants to attend. This would help alleviate the debt Black Americans face to obtain a higher education. As such, priority policy solutions include:

- Institute state programs to eliminate student loan debt.
- Make two-year community colleges free.
- Use state dollars to invest in historically Black colleges and universities (HBCUs).





Budget and Taxes

Black Census respondents were clear: the government has a responsibility to pay for the essential services that keep us safe, healthy, educated, and financially supported, and should implement tax policies equitably. Taxes provide revenue for local, state, and federal governments to fund investments in those essential services and public goods. Both how we raise tax dollars and how we invest them can have a significant impact on racial disparities.⁸ Changing the tax system would allow states to raise the money without overburdening workers who earn less⁹ and make sure that the budgets they build with those revenues put money where it is most needed—housing, health care, childcare, education. These are all of the priorities we heard in the Black Census, along with support for a fair, equitable tax system. Sixty percent of 2023 Black Census respondents favor increasing taxes on individuals earning \$250,000 or more, especially those who live in the Northeast or on the West coast where cost of living is the highest, and in the 2018 census, an equal percentage opposed lowering corporate taxes. BFL's priority policy solutions include:

- Make income taxes fairer and more effective, including making sure corporations and highest earners pay their fair share.
- Pass and expand tax credit programs for low-paid workers and families.
- Create a more fair and transparent budget process, especially at the state and local level.
- Create baby bond programs to build wealth and guarantee economic security.
- Pilot and follow up on guaranteed basic income programs.

⁸ Vanessa Williams. "Closing the Racial Wealth Gap Requires Heavy, Progressive Taxation of Wealth." Brookings, December 9, 2020. <https://www.brookings.edu/articles/closing-the-racial-wealth-gap-requires-heavy-progressive-taxation-of-wealth>

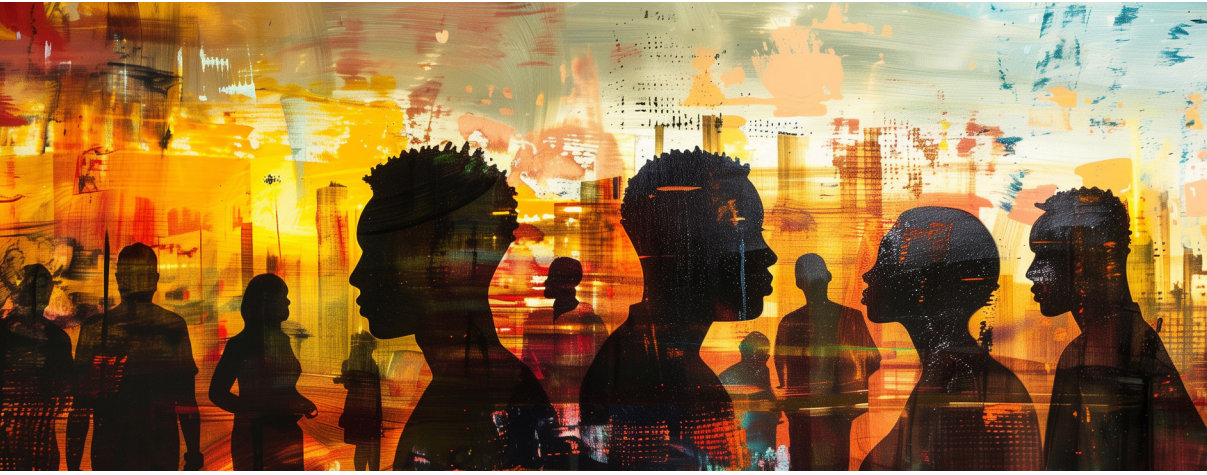
⁹ Carl Davis, et al. "Who Pays? 7th Edition." Institute on Taxation and Economic Policy, January 2024. <https://itiep.org/whopays-7th-edition/>





Introduction





“Our movement needs a North Star. Now is the time for policymakers and advocates to rewrite the rules in a way that centers Black people and our needs.”

-Kristin Powell, Principal, Black to the Future

The Black Futures Lab works to make Black communities powerful in politics, so that we can be powerful in the rest of our lives. Founded in 2018, the Black Futures Lab believes that Black people deserve what all communities deserve—dignity, safety, and power. We build power with Black communities by educating, motivating and activating Black voters, changing the story of who we are and what we’re capable of, and providing training for Black organizations to be powerful inside and out.

Black communities are often talked about, but we are rarely asked what we care about, what we experience every day, and what we want for our futures. That’s why in 2018, the Black Futures Lab launched the Black Census Project, the largest survey of Black people conducted in the United States in 155 years. In 2022, the Black Futures Lab conducted the second Black Census Project, surveying over 200,000 Black people across the country, providing insightful views and opinions about politics, society, and the opportunities and challenges facing Black communities and the nation. The Black Census Project is now believed to be the largest survey of Black communities in United States history.

Consistently, through our polling, outreach, and survey collection, economic issues rank among the most pressing problems for Black communities. The experience of economic insecurity is personal for many respondents: Black people are worried about the rising costs of living and low wages that are not enough to sustain themselves or their families. Respondents strongly support policies that would make Black people more economically secure, including guaranteeing higher wages and increasing the affordability of housing, health care, childcare, and college.





Black Census respondents are highly active politically at all levels of government

81%

voted in the 2022
midterm elections

62%

vote in state elections
for governor or state
legislature all of the time

57%

voted in local elections
for mayor or city council
all of the time

Black communities engage decisively in elections across the nation, often providing the margin of victory for elected officials and policymakers. Black Census respondents are highly active politically at all levels of government: 81 percent voted in the 2022 midterm elections, 62 percent indicated they vote in state elections for governor or state legislature all of the time, and 57 percent voted in local elections for mayor or city council all of the time. Black communities work hard for democracy, but too often, democracy does not work hard for us. Both policy and politics in America are skewed toward the needs of white suburban voters.

Every election cycle, political parties and pundits lament about whether or not Black communities will show up to the polls and cast a vote, or stay home. Rarely is the question asked: did policymakers and politicians work hard enough for Black communities? In the meantime, political parties inundate Black communities with misinformation and disinformation about our priorities, about our participation, about our potential, and about the policies that we need to change the conditions in our lives.

This Black Economic Agenda is a series of policy recommendations generated from the 2023 Black Census results and a series of focus groups targeting populations underrepresented in our Census results. These groups include Black men aged 35-55, Black people living in rural areas, and Black people with low incomes. This agenda is both a resource to help policymakers rewrite the rules that marginalize Black people and a tool that advocates can use to hold policymakers accountable for improving Black people's lives.



Why We Need A Black Economic Agenda

The disparities illustrated in this agenda are a result of centuries of government policies and practices developed to keep Black communities from gaining capital and achieving economic security. Black people being restricted from growing and passing down wealth is a communal failure—one created and perpetuated by government-enacted discriminatory laws and policies. The wealth gap is the direct result of a host of discriminatory federal and state policies that have limited Black people to low- or no-wage jobs, barred us from owning property, and excluded us from participating in government programs designed to boost the middle class.

The economic insecurity experienced by Black communities cannot be resolved solely by individual actions like working more hours, getting a college degree, or saving money to buy a home. These issues are systemic, and government intervention is required to eliminate these inequities and improve outcomes for our people. Even though our political system, laws, and policies have continually erected barriers to Black prosperity, Black communities still believe deeply in the important role that government plays in our democracy, and we expect the government to do its job. In 2018, eighty-six percent of Black Census respondents believed that it is the role of the government to solve economic problems and bridge the gap between the rich and the poor. Four years later, government assistance is still popular – 65 percent of Black Census respondents favored expanding and increasing government aid for people who need it.

We seek to remedy the government-sanctioned policies and practices that suppress Black communities, limit our opportunities, and prevent us from flourishing. We can level the economic playing field and strengthen our democracy so that Black people have the freedom to shape our own, and our nation's, destiny. But doing so will require the government to bridge the gaps. The Black Economic Agenda challenges policymakers to consider the impact of racist policies and legislation on Black communities that keep us from thriving. It is a call on the government to invest in the health and wealth of our communities.

The Black Economic Agenda is a roadmap for policy change that can improve our lives. It focuses on state policies to increase economic power for Black people and ideally begin chipping away at the wealth gap in this country. Our goal is to illustrate how policy shifts can improve Black people's lives overall, with a focus on the entire country and especially on Black Futures Lab's target states: CA, GA, LA, NC, and WI. We hope to activate Black people and Black communities to advocate for these policy priorities and decide on elected officials in their states.



History of the Economy and Black People

Our American history is why the wealth gap exists and persists for Black Americans. Slavery played a critical role in the economic development of the United States. Pre-Civil War, slave-grown cotton was responsible for 61 percent of all United States exports, positioning this country as a dominant player in the global economy.¹⁰ When slavery ended, systems were almost immediately put into place to make sure Black people did not have access to capital created during their enslavement. For example, after the Civil War, freed Black people were promised 40 acres of land to start independent lives, a promise that was rescinded upon President Abraham Lincoln's assassination. Scholars point to this moment as the beginning of the wealth gap and a consequence that continues to disenfranchise Black people.¹¹

For freed Black people who managed to generate wealth during the post-Civil War period—truly against all odds—their accomplishments were largely taken away, usually at the hands of violence. There are countless examples of this, the most infamous being the 1921 Tulsa Race Massacre. Known as America's Black Wall Street, the Greenwood District in Tulsa, OK was an example of Black prosperity with over 10,000 residents and a thriving community of Black-owned businesses. The district was upheld as a model of Black wealth and independence. It was burned to the ground by a white mob, resulting in \$1.8 million in property loss claims (\$27 million in today's dollars), 350 deaths, and the permanent displacement of over 9,000 people.¹² While on record as the worst racial terror attack in the nation's history, no one has been charged for the massacre, nor has anyone taken responsibility—and notably none of the resources stolen or destroyed during this period have been returned.

Black people were also actively excluded from several government-enacted wealth-building programs created during President Franklin Roosevelt's New Deal. The New Deal worked to build an American middle class through sweeping social programs, including social security and the minimum wage. But in doing so, it excluded domestic and farm workers—professions that at the time were predominantly held by Black people.¹³ Black people were also excluded from government programs aimed at helping a fledgling American working class secure home ownership. The Homeowners Loan Corporation (founded 1933), which was developed to save the collapsing housing market during the Great Depression, did not cover Black neighborhoods, and the Federal Housing Administration (FHA) (founded 1934) refused to insure mortgages or other loans in Black neighborhoods.

¹⁰ Sven Beckert. "Empire of Cotton." *The Atlantic*, December 12, 2014. <https://www.theatlantic.com/business/archive/2014/12/empire-of-cotton/383660/>

¹¹ William A. Darity. "Forty Acres and a Mule in the 21st Century." *Social Science Quarterly*, Volume 89, Number 3, September 2008. https://projects.iq.harvard.edu/files/lancet-reparations/files/darity_w_forty_acres_2008.pdf

¹² Yuliya Parshina-Kottas, Anjali Singhvi, Audra D.S. Burch, Troy Griggs, Mika Gröndahl, Lingdong Huang, Tim Wallace, Jeremy White, and Josh Williams. "What the 1927 Tulsa Massacre Destroyed." *New York Times*, May 24, 2021. <https://www.nytimes.com/interactive/2021/05/24/us/tulsa-race-massacre.html>

¹³ Louis Menand. "How the New Deal Went Down." *The New Yorker*, February 24, 2013. <https://www.newyorker.com/magazine/2013/03/04/how-the-deal-went-down>

At the same time, the FHA subsidized the mass-production of subdivisions for whites with the requirement that none of the homes be sold to Black people. The G.I. bill, which gave veterans access to mortgages with no down payments, guaranteed bank loans only to developers who wouldn't sell to Black people.¹⁴

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These discriminatory practices remained largely unmitigated until the passage of the 1964 Civil Rights Act and the Equal Credit Opportunity Act. Still, large discrepancies in lending practices and means to build wealth and economic security remain today. Farm workers and domestic workers remain outside of employment protections afforded to other professions all while white Americans maintain unmitigated access to credit and mechanisms to build, and most importantly, pass down wealth to future generations.

Since the end of slavery, many of the United States' labor and workforce policies have been drafted to continue to reinforce and repress Black people and to keep them from reaching economic stability and success. Black workers are concentrated in industries plagued by low-quality jobs with no benefits, irregular schedules, part-time employment, and wages too low to sustain a family.¹⁵ Across education level, full- or part-time work, race, and age, Black workers earn less than other workers in the United States. Full time Black workers ages 16 and older earn nearly 20 percent less than all United States workers in the same age group, regardless of educational status.¹⁶ The unemployment rate for Black Americans is the highest of any racial or ethnic group and roughly double the rate for the United States overall.¹⁷ These realities can be traced back to decades of racial discrimination in jobs and education, and resulting gaps in training and work experience.

¹⁴ Louis Menand. "How the New Deal Went Down." *The New Yorker*, February 24, 2013. <https://www.newyorker.com/magazine/2013/03/04/how-the-deal-went-down>

¹⁵ Trymaine Lee. "How America's Vast Racial Wealth Gap Grew." *New York Times*, August 14, 2009. <https://www.nytimes.com/interactive/2019/08/14/magazine/racial-wealth-gap.html>

"Big Ideas for a Black Agenda." Memo to Black Futures Lab, submitted by National Domestic Workers Alliance and Caring Across Generations, August 19, 2019.

¹⁶ Katharine Schaeffer. "Black workers' views and experiences in the U.S. labor force stand out in key ways." Pew Research Center, August 31, 2023. <https://www.pewresearch.org/short-reads/2023/08/31/black-workers-views-and-experiences-in-the-us-labor-force-stand-out-in-key-ways/>

¹⁷ Ibid.





Reparations

Reparations for Black Americans whose ancestors were enslaved is an ongoing discussion, dating back to as early as the 1800s.^a Policies related to reparations examine the impact of slavery in the United States and develop proposals to repair the harm to the descendants of enslaved people. Distributing reparations could assist with bridging the current wealth gap between Black and white Americans. States are starting to take a leadership role in reparation policy. These proposals could take an important step in closing the wealth gap in this country and beginning to rectify the economic impact of slavery on the Black community.

California: In 2020, California formed a Reparations Task Force to study the impact of slavery on Black people and develop proposals to provide reparations. The Task Force cited that “the institution of slavery is inextricably woven into the establishment, history, and prosperity of the United States” and that slavery “deprived more than four million Africans and their descendants of life, liberty, citizenship, cultural heritage, and economic opportunity.” The Task Force submitted more than 200 proposals to rectify the implications of slavery and suggested that Black Californians whose ancestors were enslaved receive cash payments.^{b,c} Now that recommendations have been provided, the California Legislative Black Conference (CLBC) will introduce the 2024 CLBC Reparation Priority Bill Package to dismantle the impact of slavery. The package contains direct payments to descendants of enslaved Black people as well as measures that focus on expanding access to technical education to the Black community, ending involuntary servitude in state prisons and correcting discrepancies Black people face when applying for business and occupational licenses.^d

New York: In December 2023, Governor Hochul signed legislation into law that creates a commission to acknowledge the significant role the institution of slavery played in the establishment and history of New York.^e A nine-member panel is in the process of being formed and will make legislative recommendations within the next year.

^a Henry Louis Gates, Jr. “The Truth behind ‘40 Acres and a Mule.’” PBS, September 18, 2013. www.pbs.org/wnet/african-americans-many-rivers-to-cross/history/the-truth-behind-40-acres-and-a-mule/

^b Nick Noel, Duwain Pinder, Shelley Stewart, and Jason Wright. “The Economic Impact of Closing The Racial Wealth Gap.” McKinsey Institute for Black Economic Mobility, August 13, 2019 <https://www.mckinsey.com/industries/public-sector/our-insights/the-economic-impact-of-closing-the-racial-wealth-gap>

^c Wendy Fry, Erica Yee and Rya Jetha. “California Is The First State To Tackle Reparations For Black Residents. What That Really Means.” CalMatters, September 12, 2023. <https://calmatters.org/explainers/reparations-california>

^d California Legislative Black Caucus. “California Legislative Black Caucus Introduces 2024 Reparations Legislative Package.” January 31, 2024. <https://blackcaucus.legislature.ca.gov/news/2024-01-31-california-legislative-black-caucus-introduces-2024-reparations-legislative-package>

^e Office of Governor Kathy Hochul. “Governor Hochul Continues New York’s Leadership on Racial Equity, Signs Legislation Establishing Commission to Study Reparations and Racial Justice.” December 19, 2023. www.governor.ny.gov/news/governor-hochul-continues-new-yorks-leadership-racial-equity-signs-legislation-establishing



Black Economic Agenda

One clear take away from the Black Census and the history outlined in this Agenda is that economic constraints on Black people cannot be fully disentangled from each other. Wages, jobs with workplace protections, benefits, state budgets, state and federal tax systems, housing prices and rent levels, health care costs and childcare costs—all of these impact the experience of Black people in this country. Addressing one without considering the others ignores the reality of how we live, raise families, and thrive. Addressing one without the other also ignores how poverty is created and maintained.

While we group the issues that identified from the Black Census into themes below, we know that all of these issues must be addressed holistically in order to make and sustain change. Below, we include priority policy solutions for each area—those where we see the most pressing need, based on what Black Census respondents shared, and where there is potential for immediate impact on people's lives.





Rising Inflation

The gap between wages and cost of basic living expenses widens each year. Without participating in government assistance programs, low-earning families are unable to afford basic housing, food, health care, and childcare and are forced to make spending choices that have major impacts on their families' health, safety, and well-being.^a

For example, rent prices have increased significantly over the past decades, consistently and significantly raising at higher rates than wages.^b Rising inflation means that grocery prices and the cost of living continues to rise, forcing hard choices on spending. Many expect the cost of food to continue to increase due to ongoing disruptions to the food system. Health care insurance premiums continue to increase and childcare is a massive drain on family resources.

We need to address those rising costs and systems—rent, childcare assistance, health care, and other essential needs—in order to build an economy that truly recognizes and rewards Black people's labor.



^a Drexel University Center for Hunger-Free Communities. "Minimum Wage is Not Enough: A True Living Wage is Necessary to Reduce Poverty and Improve Health." December 2021. <https://drexel.edu/hunger-free-center/research/briefs-and-reports/minimum-wage-is-not-enough/>

^b Alicia Mazzara. "Rents Have Risen More Than Incomes in Nearly Every State Since 2001." Center on Budget and Policy Priorities, December 10, 2019. <https://www.cbpp.org/blog/rents-have-risen-more-than-incomes-in-nearly-every-state-since-2001>



Wages and Worker Protections

In the 2023 Black Census, nearly 40 percent of both rural and urban respondents identified low wages as one of the top three most important issues facing our communities – the most prevalent answer, particularly in the South and Midwest. For decades, Black Americans have been locked into jobs that are low paying. Both from Black Census respondents and national and state data, we know Black people are more likely to work jobs in which they are likely to make minimum wage or just above minimum wage. Nearly half of Black workers in the United States earn less than \$15 an hour, too low to be considered a living wage in any major metropolitan area in the country.¹⁸ Vanessa S., 50 from Florida, in a focus group of low income participants, reflected, “You’re definitely not paid what you’re worth. You know, you always have to work two jobs or whatever it is.”

For people living paycheck to paycheck, low wages and job insecurity become serious sources of anxiety. In a focus group comprised of rural participants, Victor E., 50 from Washington state, commented, “Unfortunately, so many people, especially Black people, are working jobs where they pay minimum wage or just above minimum wage, and many times, I find that if they miss one paycheck, or they have to be out for whatever reason, or some emergency comes up, then they are seriously looking at eviction.”

When Black workers cannot earn enough to support their families, this impacts every element of their lives—housing, health care, and childcare. Low wages trap workers into a cycle of survival, and keep the wealth gap intact, especially in the face of high costs of living and rising inflation. The most direct way to address this problem is to raise wages, especially in industries where Black workers are concentrated.

We need policy change on wages, benefits, and protections for workers. The jobs that Black people hold must be good jobs. Below, we include priority policy solutions that have an impact and address the needs that Black Census respondents shared.

Policy Solutions

Raise minimum wage to at least \$17 per hour, with ongoing annual increases that account for the rising cost of living. Respondents across all regions of the United States strongly favor raising the minimum wage, particularly in urban areas. Higher wages mean more money in families' pockets, which means increased ability to pay for housing, food, health care, and education, which will be particularly impactful for Black workers. According to the Washington Center for Equitable Growth, an increase of the minimum wage to \$15 an hour would increase the earnings of 38.1 percent of Black workers, compared to 23.2 percent of white workers.¹⁸ Sixty seven percent of Black Census respondents are in favor of increasing the minimum wage to \$15 per hour, though both focus group participants and experts in the field reflect a need for wages above \$15 per hour to meet living standards. Workers around the country have come together to fight for increased minimum wages, especially in lower-wage industries where Black workers are concentrated. As a result, states and cities across the country have taken action to increase the minimum wage. We can build on those actions to make sure that the minimum wage is increased everywhere—and that those wages are a living wage, keeping up with what it actually costs to support a family.

Pass domestic workers' bills of rights. As the National Domestic Workers' Alliance describes, "Domestic workers are nannies and childcare providers who nurture and raise our children, the housecleaners that bring order to our homes, and the direct care workers that ensure our loved ones, who are aging or living with disabilities, receive the assistance they need to live with dignity and independence in their homes."²⁰ An overwhelming 90.2 percent of domestic workers in this country are women.²¹ Black women in particular make up a large share of domestic workers, alongside Hispanic, Asian, and other workers of color. While Black workers only make up 12 percent of the overall workforce, 21.6 percent make up the domestic workforce.²² Their voices must be heard and their work must be valued. Domestic workers' bill of rights guarantees basic labor rights and protections for domestic workers.²³ This includes minimum wage and overtime protections, safe working conditions, and paid time off. Currently, ten states and the District of Columbia have passed a domestic workers bill of rights, and the number continues to grow. Most recently, New Jersey, Virginia, and New Mexico have passed these laws to protect and benefit domestic workers.²⁴

¹⁸ Kaitlyn Henderson, PhD. "The crisis of low wages in the U.S.: Who makes less than \$15 an hour in 2022?" Oxfam, 2022. <https://www.oxfamamerica.org/explore/research-publications/the-crisis-of-low-wages-in-the-us/>

¹⁹ Kate Bahn, Ellora Derenoncourt, and Claire Montialoux. "Why Minimum Wages Are A Critical Tool For Achieving Racial Justice In The U.S. Labor Market." Washington Center for Equitable Growth, October 29, 2020 <https://equitablegrowth.org/why-minimum-wages-are-a-critical-tool-for-achieving-racial-justice-in-the-u-s-labor-market/>

²⁰ National Domestic Workers Alliance. "Domestic Workers Bill of Rights FAQs." n.d. https://www.domesticworkers.org/programs-and-campaigns/developing-policy-solutions/domestic-workers-bill-of-rights/domestic-workers-bill-of-rights-faqs/#who_is_a_domestic_worker

²¹ Asha Banerjee, Katherine deCourcy, Kyle K. Moore, and Julia Wolfe. "Domestic Workers Chartbook 2022." Economic Policy Institute, November 22, 2022. <https://www.epi.org/publication/domestic-workers-chartbook-2022/>

²² *ibid*

²³ National Domestic Workers Alliance. "Domestic Workers Bill of Rights." n.d. <https://www.domesticworkers.org/programs-and-campaigns/developing-policy-solutions/domestic-workers-bill-of-rights/>

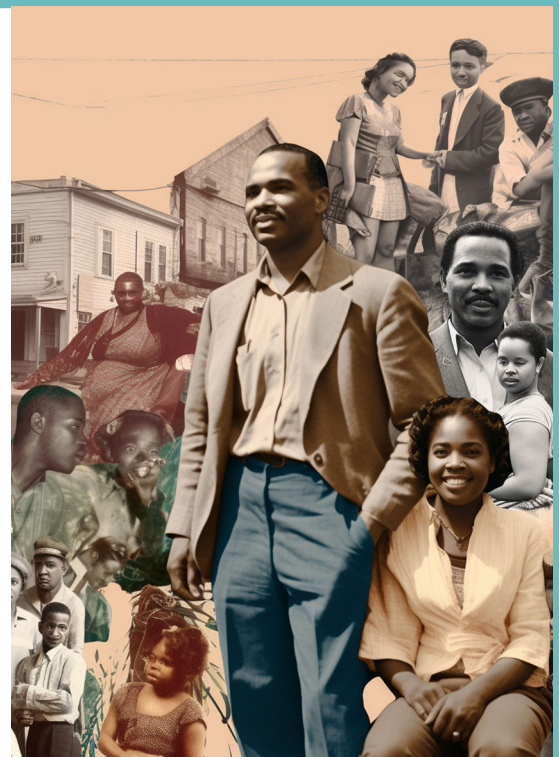
²⁴ National Domestic Workers Alliance. "Virtual Road Trip Across America." n.d. <https://www.domesticworkers.org/programs-and-campaigns/developing-policy-solutions/domestic-workers-bill-of-rights/domestic-workers-bill-of-rights-summer-road-trip-across-america/>

Build worker power and the right to organize. Organized labor and collective bargaining have been a long standing way for workers to build power, and negotiate the wages, benefits, and working conditions that workers and families need to thrive, such as health insurance, retirement contributions, affordable childcare, paid sick time and paid family and medical leave. States have the power to expand workers' rights to organize by enacting policies that support and strengthen the right to organize and collectively bargain into unions, especially for groups that have historically been excluded due to racism, including farm workers, direct care workers, domestic workers, gig workers, and temp workers among others. States can also take steps to strengthen their own public sector unions, and by repealing so-called "right to work laws" that weaken unions without having a positive impact on job creation. In 2023, Michigan became the first state in decades to repeal its "right to work" law, now requiring all workers in a unionized workplace to pay dues and fees.²⁵ This is an important step in restoring unions' collective bargaining power, which as data shows, leads to reduced income inequality and racial and gender inequities.²⁶ Organized labor and Black communities have had a complicated history, and this is reflected in Black Census respondents' mixed trust of labor unions. While 53 percent of respondents have some trust in unions, only 9 percent overall trust unions a great deal. Making organized labor and collective bargaining work for Black communities is an important consideration.

Guaranteed Organizing and Collective Bargaining Rights: Illinois

In 2022, Illinois voters approved a constitutional amendment to guarantee all workers organizing and collective bargaining rights. The Illinois Workers' Rights Amendment makes organizing a fundamental right under the state constitution, protects against laws that would take that right away from employees, and opens up new pathways for excluded workers to unionize. This amendment set a new "high bar for state labor policy" that other states can duplicate.^a

^a Jennifer Sherer. "Illinois Workers' Rights Amendment sets new bar for state worker power policy." Economic Policy Institute, December 7, 2022. <https://www.epi.org/blog/illinois-workers-rights-amendment-sets-new-bar-for-state-worker-power-policy-other-state-legislatures-should-seize-the-moment-to-advance-worker-racial-and-gender-justice-in-2023/>



²⁵ Joey Cappelletti. "Michigan becomes 1st state in decades to repeal 'right-to-work' law." PBS News Hour, March 24, 2023. <https://www.pbs.org/newshour/politics/michigan-becomes-1st-state-in-decades-to-repeal-right-to-work-law>

²⁶ Jennifer Sherer and Elise Gould. "Why 'right-to-work' was always wrong for Michigan." Economic Policy Institute, March 13, 2023. <https://www.epi.org/blog/why-right-to-work-was-always-wrong-for-michigan-restoring-workers-rights-is-key-to-reversing-growing-income-inequality-in-michigan/>



Take actions to enforce workplace standards. Workers deserve to feel safe and protected at work, to take home their fair pay, to be able to take leave when they need to, and to be supported if they lose their job. In addition to workplace safety hazards, evidence suggests that violations of employment standards—including minimum wage, overtime, and sick leave standards—are a widespread problem. To encourage employer compliance with the law, policymakers should increase funding for state and local labor agencies that investigate and enforce labor laws. Cities and states can also bolster activities to enforce standards by including community and worker organizations in enforcement efforts. At least 20 localities, including Chicago, New York City, and Philadelphia, have created or are creating dedicated local labor agencies to oversee workplace standards.²⁷ Some localities also have agencies for specific issues, like wage theft enforcement or mediation.

Expand Paid Family and Medical Leave Laws. If a worker or their family faces an emergency, workers should be allowed to take time off to care for themselves or their families without risking their financial or job security. A serious health condition, parental leave, and the need to provide care to a loved one can all put enormous strain on workers and families, and can put their jobs and finances in jeopardy. Paid family and medical leave laws provide pay and job security to workers who are in these situations. Paid leave also benefits businesses by improving employee retention and productivity, as well as strengthening workforce participation. There is a federal family and medical leave law that entitles eligible employees to take up to 12 weeks of unpaid and protected leave.²⁸ However, states can and should pass or expand their own versions with more robust benefits. Eleven states have passed paid family and medical leave laws: California, Colorado, Connecticut, Delaware, Massachusetts, Maryland, New Jersey, New York, Oregon, Rhode Island, and Washington, along with the District of Columbia.²⁹

²⁷ Terri Gerstein and LiJia Gong. "The role of local government in protecting workers' rights." Economic Policy Institute, June 13, 2022. <https://www.epi.org/publication/the-role-of-local-government-in-protecting-workers-rights-a-comprehensive-overview-of-the-ways-that-cities-counties-and-other-localities-are-taking-action-on-behalf-of-working-people/>

²⁸ United States Department of Labor. "Family and Medical Leave Act." n.d. <https://www.dol.gov/agencies/whd/fmla>

²⁹ Molly Weston Williamson. "The State of Paid Family and Medical Leave in the U.S. in 2023." Center for American Progress, January 5, 2023. <https://www.americanprogress.org/article/the-state-of-paid-family-and-medical-leave-in-the-u-s-in-2023/>

Model for Paid Leave: California



In 2004, California was the first state in the United States to offer workers comprehensive paid family leave with the implementation of California Paid Family Leave (PFL). PFL provides workers with benefit payments for up to eight weeks to care for a seriously ill family member, bond with a new child, or participate in a qualifying event because of a family member's military deployment.^a Research shows that the implementation of PFL led to more women taking more leave post-birth.^b **The Center for American Progress released a study that found nationally approximately 2.9 million leaves are needed by working Black women, but 1.1 million—or 38 percent—are not taken.**^c In California, after PFL was implemented, gains were particularly significant for Black women, who had the lowest baseline rate of taking maternity leave. One study showed that Black women who took paid leave increased by 10.6 percent in California after this program was enacted.^d Additional studies show that providing parents with time off to take care of a new child improves maternal and child health outcomes and contributes to families' economic security.

^a Employment Development Department, State of California. "Celebrating 20 Years of Paid Family Leave." n.d. <https://edd.ca.gov/en/disability/paid-family-leave/>

^b Maya Rossin-Slater, Christopher Ruhm, and Jane Waldfogel. "The Effects of California's Paid Family Leave Program on Mothers' Leave-Taking and Subsequent Labor Market Outcomes." *J Policy Anal Manage.* 2013; 32(2): 224–245. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3701456/>

^c Maggie Jo Buchanan, Jocelyn Frye, and Jessica Milli. "Black Women Need Access to Paid Family and Medical Leave." Center for American Progress. March 4, 2022. <https://www.americanprogress.org/article/black-women-need-access-to-paid-family-and-medical-leave/>

^d Maya Rossin-Slater, Christopher Ruhm, and Jane Waldfogel. "The Effects of California's Paid Family Leave Program on Mothers' Leave-Taking and Subsequent Labor Market Outcomes." *J Policy Anal Manage.* 2013; 32(2): 224–245. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3701456/>





Thriving Communities

Our agenda outlines policies that help build thriving communities for Black people in which we actualize a future where we do not have to choose between paying rent or mortgage, buying food, receiving health care, or going to school. Sixty five percent of Black Census respondents are in favor of increasing or expanding government assistance for people who need it. Our ability to afford essential services and build toward our desired futures impacts not only how we live, but also our quality of life.

We want to build communities that enable all people, regardless of economic status, to have the resources they need to take care of themselves and their families, and maintain overall stability. A participant in our focus group with low-income individuals, Tawni M., 40 from Georgia, described, “Other countries have free health care and ... they’re thriving ... because when you don’t have to worry about health care or childcare ... They’ll thrive more in life because they just don’t have that worry on their shoulders.”

Below, we include priority policy solutions for each area focused on creating a thriving Black community – those where we see the most pressing need, based on what Black Census respondents shared, and where there is potential for immediate impact on people’s lives.

Housing

Black Americans are feeling the pressure of being able to find and maintain housing, especially as costs for renting and purchasing property increase. In one focus group, comprised of men aged 35-55, Jeffrey R., from Georgia, lamented, “I’m used to being in Atlanta, we were always thought to have lower housing costs, but now I hear we’re getting on par with other cities like New York. I have friends in other states and you have people bidding on apartments [or] on houses, and there’s just no inventory for affordable housing at all.”

Beyond affordability, people are struggling to meet requirements that are in place to shut people out of housing opportunities. Rural focus group participant Shahidah A., 40 from Georgia, shared, “If you’re looking for a house or an apartment right now, some of the things that people are asking for—three times the rent, six months of pay stubs and bank statements—that you would maybe [need] if you were buying a home.”





Homeownership is a key component to building stability and a gateway to generational wealth, but systemic barriers have largely kept Black people from being able to reach this milestone. The homeownership gap for Black Americans is larger now than it was in 1968 when housing discrimination was legal.³⁰ The median value of Black-owned homes is a third lower than white owned homes, and 54 percent of Black renter households are cost burdened, meaning more than 30 percent of their income goes to rent. In addition, nearly 40 percent of the half a million people experiencing homelessness across the country are Black.³¹

All of this is not a coincidence, but the result of years of policies that keep Black people from accessing affordable housing. A process called redlining—race-based exclusionary tactics—historically has included everything from keeping Black people out of white neighborhoods, denying access to mortgages, and devaluing homes owned by Black people or in Black neighborhoods. Homes in Black neighborhoods continue to be undervalued by \$48,000 per home on average, amounting to \$156 billion in cumulative losses to Black communities.³² Predatory lending practices and a lack of affordable housing continue to perpetuate housing insecurity. These policies all contribute to huge gaps in generational homeownership, and keep Black people from building wealth and stability, and passing it on to future generations.

Beyond wealth distribution, having an affordable place to live is critical to quality of life. This is not only about having shelter. On average, the majority of Black household income goes towards rent or mortgage, leaving low-income households barely more than \$15 per day to meet all other basic needs, including food, transportation, health care, and savings.³³ States should invest in their communities and establish protections for people seeking a place to call home, whether by renting or homeownership.

³⁰ The Urban Institute. "Reducing the Racial Homeownership Gap." n.d. <https://www.urban.org/policy-centers/housing-finance-policy-center/projects/reducing-racial-homeownership-gap>

³¹ Sophia Wedeen. "Black and Hispanic Renters Face Greatest Threat of Eviction in Pandemic." Joint Center for Housing Studies of Harvard University, January 11, 2021. <https://www.jchs.harvard.edu/blog/black-and-hispanic-renters-face-greatest-threat-eviction-pandemic>

³² Patrick Sisson. "How a 'segregation tax' is costing black American homeowners \$156 billion." Curbed, November 27, 2018. <https://archive.curbed.com/2018/11/27/18114490/black-homeownership-home-value-neighborhood>

³³ Joint Center for Housing Studies of Harvard University. "America's Rental Housing: Evolving Market and Needs." 2013. <https://www.jchs.harvard.edu/research-areas/reports/americas-rental-housing-evolving-markets-and-needs>



Policy Solutions

Widen homeownership options. Income barriers, insufficient credit, and inability to afford a down payment regularly keep Black people from owning a home. States can pass policies to remove these barriers, including:

- **Develop shared equity programs.** Shared equity, or long-term affordability, is a policy offered through state or municipal programs focused on increasing affordable housing. These programs build or buy homes using one-time public or private investments. Next, the program sells the home to a low- or moderate-income buyer at a reduced rate. In return for being able to buy a home at a discounted price, the homeowners agree to pay it forward and sell to another income-qualified family at a price they can afford. The shared equity program manages the homebuying process, ensuring that each homebuyer builds some wealth from a predetermined, limited amount of the sales proceeds. This process preserves affordability for subsequent homebuyers, while helping the previous buyer make a profit and build credit to buy future property. Since shared equity homes remain affordable forever, this housing stock is not lost over time like most affordable housing. In fact, it advances integration by ensuring that affordable homes remain in neighborhoods that are experiencing gentrification or that are rich in community assets. Currently, 250,000 shared equity models exist, mainly in New York City, but other cities including Atlanta, Boston, Minneapolis, and Durham are also administering similar programs.³⁴
- **Incorporate timely rent payments in credit score.** Credit histories and scores are the main vehicles used by mortgage lenders to determine whether someone can repay their loan. Inequitable access to credit is a major barrier to Black homeownership. The United States has a history of keeping Black people from being able to secure credit, creating an overall disadvantage in being competitive in the mortgage market.³⁵ Timely rent payments are an established indicator of on-time mortgage payments, but are not included in credit history or credit scores. States should pass policies to push credit bureaus to include rental payment data in credit score. This would increase the possibility for Black renters to increase their credit score overall and submit more competitive mortgage applications. This adjustment could have a positive impact on Black people being able to buy property.

³⁴ Emily Thaden. "The State of Shared-Equity Homeownership." Shelterforce, May 7, 2018. <https://shelterforce.org/2018/05/07/shared-equity/>

³⁵ Mehrsa Baradaran. "Jim Crow Credit." 9 U.C. Irvine L. Rev. 887 (2019). <https://scholarship.law.uci.edu/ucilr/vol9/iss4/4/>



Preserve and increase affordable housing. The United States has a shortage of 7.3 million affordable and available rental homes.³⁶ Our census results exposed a lack of affordable housing as the fifth most prevalent issue affecting Black people in the country today, with census takers in the Northeast, West and South considering affordable housing a more pressing issue than respondents in the Midwest. Any overall program for addressing the issue of affordability must focus on increasing the supply of affordable units, while simultaneously preserving affordable rent for low-income tenants.

- **Change zoning laws.** In order to increase affordable housing, states are modernizing local zoning and land use regulations so builders and developers can produce more housing at a lower cost. Currently, many cities in the United States make it illegal to build anything other than single-family homes, severely restricting efforts to increase affordable housing.³⁷ Often, higher-income neighborhoods are disproportionately zoned for single-family homes, preventing low- and middle-income families from living in communities with more economic opportunities. While rolling back single-family zoning is one of the highest profile policies proposed to enhance affordability, such measures alone are not sufficient. Other solutions include minimum lot size requirements, density limits, and prohibitions against mixed-use developments (apartments in commercial zones) to more quickly build affordable housing at scale.

³⁶ National Low Income Housing Coalition. "The Gap: A Shortage of Affordable Rental Homes." n.d. <https://nlihc.org/gap>

³⁷ Alex Baca, Patrick McAnaney, and Jenny Schuetz. "'Gentle' density can save our neighborhoods." Brookings Institute, December 4, 2019. <https://www.brookings.edu/articles/gentle-density-can-save-our-neighborhoods/>



- **Strengthen rent regulations.** The lack of affordable housing creates scarcity and drives up rent. States need to not only pass policies to build more affordable housing, but also secure rent stabilization laws to protect tenants from excessive rent increases and reduce risk of displacement and homelessness. Currently, only two states (California and Oregon) have statewide rent control guidelines, while localities in an additional five states (Maine, Maryland, Minnesota, New Jersey, and New York) and the District of Columbia have forms of rent regulation.³⁸ These policies are critical to protect tenants and should be included in any comprehensive plan to increase access to affordable housing in states.
- **Fund affordable housing trust funds.** Housing trust funds are a source of funding that can be used to address affordable housing shortages. These trust funds are created and administered at the city, county or state level and are not subject to the restrictions of federal subsidy programs even though they receive funding from the Department of Housing and Urban Development. States add supplemental funding to increase the scope and reach of the program. The Fiscal Year 2023 Appropriations allocated a combined \$382 million through the National Housing Trust Fund.³⁹ By law, 90 percent of housing trust fund dollars must be used for the production, preservation, rehabilitation, or operation of affordable rental housing. Up to 10 percent may be used to support homeownership activities for first-time homebuyers, such as producing, rehabilitating, or preserving owner-occupied housing, as well as providing down payment assistance, closing costs, and interest rate buy-downs.⁴⁰

Once funding is distributed to the Local Housing Trust Fund (LHTF), localities may establish their own application process, meaning they can be designed specifically to address local priorities and needs.⁴¹ For example, housing trust funds can disperse funding through grants, low-interest, or forgivable loans catering to the specific needs of local developers. Fourteen states, Arizona, California, Florida, Indiana, Iowa, Massachusetts, Minnesota, Missouri, New Jersey, Oregon, Pennsylvania, South Carolina, Washington, and Wisconsin, have passed legislation that encourages and/or enables local jurisdictions to dedicate public funds to affordable housing.⁴²

³⁸ PolicyLink. "Rent Stabilization." n.d. <https://www.policylink.org/resources-tools/tools/all-in-cities/housing-anti-displacement/rent-control>

³⁹ "HUD Awards \$382 Million Through Housing Trust Fund." Affordable Housing Finance, May 04, 2023. https://www.housingfinance.com/finance/hud-awards-382-million-through-housing-trust-fund_o

⁴⁰ "National Housing Trust Fund." National Low Income Housing Coalition, n.d. <https://nlihc.org/explore-issues/projects-campaigns/national-housing-trust-fund>

⁴¹ "Housing trust Funds." Local Housing Solutions, n.d. <https://localhousingsolutions.org/housing-policy-library/housing-trust-funds/>

⁴² "Housing Trust Fund Project." Community Change, n.d. <https://housingtrustfundproject.org/housing-trust-funds/state-housing-trust-funds/>



Model for Expanding Affordable Housing through Community Land Trusts: Georgia



The Atlanta Land Trust focuses on implementing a community land trust in Georgia. With this, plots of land become community-owned and the trust decides the use of the land. Last year, the Atlanta Trust Fund completed a \$13.9 million campaign that creates three housing communities with 75 percent of the units being permanently affordable.^a In addition, the trust is developing 15 single-family homes.^b The introduction of permanently affordable housing helps reduce displacement from gentrification and allows Black communities to reap the benefits of homeownership while also reducing the homeownership gap Black Americans face.

According to the National Association of Realtors' Snapshot of Race and Home Buying in America, the Black Homeownership rate is 44 percent.^c A survey of Community Land Trusts (CLT) in the United States found that nearly half of shared equity households of CLT have a person of color (POC) as a head of household. This indicates that Community Land Trusts provide a higher percentage of homeownership opportunities for POCs than the national average, especially for Black Americans.^d

^a Maria Saporta. "Atlanta Land Trust completes \$13.9 million campaign for permanent affordability." Saporta Report, August 7, 2023. https://saportareport.com/atlanta-land-trust-completes-13-9-million-campaign-for-permanent-affordability/columnists/maria_saporta/

^b Atlanta Land Trust. "How It Works – Providing Long-Term Affordability." n.d. <https://atlantalandtrust.org/how-it-works/>

^c National Association of Realtors. "A Snapshot of Race and Home Buying in America." February 21, 2020. <https://www.nar.realtor/research-and-statistics/research-reports/a-snapshot-of-race-and-home-buying-in-america>

^d The Lincoln Institute of Land Policy. "The 2022 Census of Community Land Trusts and Shared Equity Entities in the United States: Prevalence, Practice and Impact." June 2023. <https://www.lincolnst.edu/publications/working-papers/2022-census-community-land-trusts-shared-equity-entities-in-united>



Establish protections for tenants. In the United States, 58 percent of households headed by Black adults rent their homes, and data also shows that renters tend to have lower incomes and wealth.⁴³ With the cost of rent rising faster than wages, Black families and individuals are particularly cost-burdened. In 2019, 30 percent of Black households spent at least half of their earnings on rent.⁴⁴ This number has only worsened because of the COVID-19 pandemic. The American Rescue Plan provided over \$33 billion to assist renters and housing providers with emergency rental assistance, emergency housing vouchers, subsidies for new housing supply, and resources for fair housing and legal counsel.⁴⁵ The policies worked to keep people housed, increasing affordable housing and reducing evictions overall. However, as these resources sunset, eviction rates are on the uptick, and are even exceeding pre-COVID-19 averages in some cities.⁴⁶ Black renters are most at risk: over half of all eviction filings are against Black renters while less than one in every five renters in the United States are Black.⁴⁷ Furthermore, Black women are disproportionately most impacted by eviction.⁴⁸

States with strong tenant protections have supports and regulations such as rental assistance, legal representation, mediation services, and rent control measures to prevent evictions and keep people stably housed. For example, data shows that 93 percent of tenants in Cleveland, Ohio with legal representation avoided an eviction judgment or involuntary move.⁴⁹ State and local governments should do all they can to ensure renters know their existing legal rights, and to protect renters from unlawful discrimination and exclusion that can take many different forms.

⁴³ Drew Desilver. "As national eviction ban expires, a look at who rents and who owns in the U.S." Pew Research Center, August 2, 2021. <https://www.pewresearch.org/short-reads/2021/08/02/as-national-eviction-ban-expires-a-look-at-who-rents-and-who-owns-in-the-u-s/>

⁴⁴ National Association of Realtors. "More Americans Own Their Homes, but Black-White Homeownership Rate Gap Is Biggest in a Decade, NAR Report Finds." March 2, 2023. www.nar.realtor/newsroom/more-americans-own-their-homes-but-black-white-homeownership-rate-gap-is-biggest-in-a-decade-nar#:~:text=More%20than%20half%20of%20Black

⁴⁵ National Association of Counties. "American Rescue Plan Act Funding Breakdown." April 21, 2021. www.naco.org/resources/featured/american-rescue-plan-act-funding-breakdown

⁴⁶ The Eviction Lab. "Eviction Filings by Location." Updated February 1, 2024. <https://evictionlab.org/eviction-tracking/>

⁴⁷ Nick Graetz, Carl Gershenson, Peter Hepburn, and Matthew Desmond. "Who is Evicted in America." The Eviction Lab, October 3, 2023. <https://evictionlab.org/who-is-evicted-in-america/>

⁴⁸ Cleo Blumenthal. "The Disproportionate Burden of Eviction on Black Women." Center for American Progress, August 14, 2023. <https://www.americanprogress.org/article/the-disproportionate-burden-of-eviction-on-black-women/>

⁴⁹ National Coalition for a Civil Right to Counsel. "All about Cleveland's eviction right to counsel." February 1, 2023. http://civilrighttocounsel.org/major_developments/1382



Health Care

Good health is an indicator of a functioning society and critical to a functioning economy. However, Black people face significant barriers to accessing and utilizing health care, and as a result, experience worse health outcomes compared to white people. Lack of affordable health care ranked in the top half of Black Census concerns and was the fourth most pressing economic issue for respondents. COVID-19 showed the cracks in the United States' healthcare system and put a spotlight on how our broken system specifically harms Black communities. Black people overall live 3.5 years fewer than white people, a gap that widened to five years during COVID-19.⁵⁰ Overall, Black people died from COVID-19 at rates higher than any other population. While this disparity was largely blamed on pre-existing health conditions, the reasons are deeper. A recent University of Pennsylvania study found "that the COVID-19 death rate for Black patients would be 10 percent lower if they had access to the same hospitals as white patients."⁵¹ And, to make this problem worse, many hospitals in Black rural areas closed during COVID-19 because of lack of funding, mainly in states that have refused to adopt the Affordable Care Act (ACA).⁵²

⁵⁰ José Manuel Aburto, Andrea M. Tilstra, Ginevra Floridi, and Jennifer Beam Dowd. "Significant impacts of the COVID-19 pandemic on race/ethnic differences in US mortality." *Proc Natl Acad Sci USA*, August 2022. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9436308/>

⁵¹ Perelman School of Medicine at the University of Pennsylvania. "Study: Higher COVID-19 Mortality Among Black Patients Linked to Unequal Hospital Quality." June 17, 2021. <https://www.pennmedicine.org/news/news-releases/2021/june/higher-covid19-mortality-among-black-patients-linked-to-unequal-hospital-quality>

⁵² Olivia Goldhill. "Shuttered Hospitals, Soaring Covid-19 Deaths: Rural Black Communities Lose a Lifeline in the Century's Worst Health Crisis." *STAT*, May 16, 2021. www.statnews.com/2021/05/26/shuttered-hospitals-soaring-covid19-deaths-rural-black-communities-lose-lifeline-in-pandemic/



Furthermore, medical debt is a serious issue in the United States, affecting people's ability to afford other essential goods. Approximately one in twelve Americans owe health care debt, and Black people make up a disproportionate share of adults reporting health care debt.⁵¹ The lack of affordable health care ranked in the top half of the list as one of the top three most important problems affecting Black people today according to the Black Census. Respondents in the South and the West saw health care as a bigger issue than those in the Northeast and Midwest. Black Americans are uninsured at 10.6 percent compared to 6.3 percent of white Americans.⁵² However, there is a glimmer of progress: the percentage of Black Americans who lack medical insurance has dropped substantially as a result of the adoption of the ACA. For states that have expanded Medicaid coverage between 2013 and 2021, the coverage gap between Black and white adults dropped from 9.9 to 5.3 percentage points.⁵³ Unfortunately, this progress depends on where people live. To date, ten states have failed to expand Medicaid eligibility under the ACA, keeping nearly 1 million Black American adults from gaining health insurance.⁵⁴ About 37 percent of Black Americans who are uninsured live in Florida, Georgia, and Texas—all states who have not adopted the ACA.⁵⁵

In the same states that don't provide Medicaid coverage, they have also passed some of the most restrictive abortion bans in the country. This creates a scenario where people can neither get the health care they need when they are pregnant, nor make health decisions on when and how to have a family. Not surprisingly, many of these same states also have high rates of infant and maternal mortality in the country, especially for Black people.⁵⁶ Sixty percent of Black Census respondents reported being in favor of ensuring access to a safe and affordable abortion, indicating that these abortion bans are out of step with what Black people support.

We can reverse these trends and demand states to invest in our health, wellbeing, and futures. The following policy recommendations provide guidance on how this can be achieved at the state level.

⁵³ Shameek Rakshit, Matthew Rae, Gary Claxton, Krutika Amin, and Cynthia Cox. "The burden of medical debt in the United States." KFF, February 12, 2024. <https://www.healthsystemtracker.org/brief/the-burden-of-medical-debt-in-the-united-states/>

⁵⁴ Sofia Carratala and Connor Maxwell. "Health Disparities by Race and Ethnicity." Center for American Progress, May 7, 2020. <https://www.americanprogress.org/article/health-disparities-race-ethnicity/>

⁵⁵ Jesse C. Baumgartner, Sara R. Collins, David C. Radley. "Inequities in Health Insurance Coverage and Access for Black and Hispanic Adults." The Commonwealth Fund, March 16, 2023. <https://www.commonwealthfund.org/publications/issue-briefs/2023/mar/inequities-coverage-access-black-hispanic-adults>

⁵⁶ Matthew Buettgens and Urmi Ramchandani. "Coverage Gains if 10 States Were to Expand Medicaid Eligibility." Robert Wood Johnson Foundation, October 23, 2023. <https://www.rwjf.org/en/insights/our-research/2023/10/coverage-gains-if-10-states-were-to-expand-medicaid-eligibility.html>

⁵⁷ Arielle Bosworth, Kenneth Finegold, and Joel Ruhter. "The Remaining Uninsured: Geographic and Demographic Variation." Assistant Secretary for Planning and Evaluation, Office of Health Policy, March 23, 2021. <https://aspe.hhs.gov/sites/default/files/private/pdf/265286/Uninsured-Population-Issue-Brief.pdf>

⁵⁸ Centers for Disease Control and Prevention. "Infant Mortality." Reproductive Health, updated September 13, 2023. <https://www.cdc.gov/reproductivehealth/maternalinfanthealth/infantmortality.htm>



Policy Solutions

Expand health coverage to residents of states that have not expanded Medicaid under the Affordable Care Act (ACA). The ACA has cut the uninsured rate nearly in half and significantly reduced racial and ethnic disparities in both insurance coverage and access to care.⁵⁹ To date, 40 states and the District of Columbia have expanded Medicaid coverage under the ACA.⁶⁰ Yet a significant coverage gap remains in 10 states, including Texas, Florida, and Georgia—states with the highest Black populations in the country—as well as Alabama (ranks 9th) and South Carolina (ranks 10th). Mississippi, the state with the highest Black population per capita, also remains on the list of states without ACA coverage. Non-expansion in these states has left 1.9 million people uninsured, with the majority living in Texas, Florida, and Georgia.⁶¹ Most of the individuals in the coverage gap are Black people and people of color.⁶²

The ten non-expansion states are missing out on upwards of \$4.4 billion in federal funds, plus the commitment of the federal government to fund 90 percent of the cost of the expansion.

These funds could be used to fill many critical health care needs for these states, including funds to support rural health care. Alabama, Mississippi, Tennessee, and Texas are all facing double-digit closures of rural hospitals; Mississippi alone has 24 at risk.⁶³ The communities most affected when these rural hospitals close often have significant Black populations, and closure means rural residents must drive 25 or more miles to access medical care.⁶⁴

⁵⁹ Jessie Cross-Call. "Medicaid Expansion Has Helped Narrow Racial Disparities in Health Coverage and Access to Care." Center on Budget and Policy Priorities, October 21, 2020. <https://www.cbpp.org/research/health/medicaid-expansion-has-helped-narrow-racial-disparities-in-health-coverage-and>

⁶⁰ KFF. "Status of State Medicaid Expansion Decisions: Interactive Map." December 1, 2023. <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>

⁶¹ Jennifer Tolbert, Patrick Drake, and Anthony Damico. "

Key Facts about the Uninsured Population." KFF, December 18, 2023. <https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>

⁶² Latoya Hill, Samantha Artiga, and Anthony Damico. "Health Coverage by Race and Ethnicity, 2010-2022." KFF, January 11, 2024. <https://www.kff.org/racial-equity-and-health-policy/issue-brief/health-coverage-by-race-and-ethnicity/>

⁶³ Jennifer Tolbert, Patrick Drake, and Anthony Damico. "

Key Facts about the Uninsured Population." KFF, December 18, 2023. <https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>

⁶⁴ Olivia Goldhill. "Shattered hospitals, soaring Covid-19 deaths: Rural Black communities lose a lifeline in the century's worst health crisis." Stat News, May 26, 2021. <https://www.statnews.com/2021/05/26/shattered-hospitals-soaring-covid19-deaths-rural-black-communities-lose-lifeline-in-pandemic/>

Expansion of ACA Model: North Carolina



In December 2023, North Carolina became the latest state to fully expand their Medicaid coverage. NC Medicaid now covers people ages 19 to 64 years old earning up to 138% of the federal poverty level depending on household size. An estimated 600,000 people are newly eligible under these expanded guidelines.^a Expansion of Medicaid is still new in North Carolina, however, it is expected that Black people will benefit the most, with their uninsurance rate falling from 11.6 to 5.9 percent.^b While they only make up 22.2 percent of the state population, Black residents already accounted for 38.1 percent on day one of new enrollment.^c This shows that Medicaid expansion can directly advance racial equity, reducing disparities in health care coverage for people who do not have access to employer-provided coverage or are low-income. When people have access to health insurance and are able to get the care they need, they are more likely to have better health outcomes.

^a Jada Raphael and Robin Rudowitz. "An Update on ACA Medicaid Expansion: What to Watch in North Carolina and Beyond." KFF, December 18, 2023. <https://www.kff.org/policy-watch/an-update-on-aca-medicaid-expansion-what-to-watch-in-north-carolina-and-beyond/>

^b Michael Simpson and Ella Brett-Turner. "Who Would Gain Coverage under Medicaid Expansion in North Carolina." The Urban Institute, November 2022. <https://www.urban.org/sites/default/files/2022-11/Who%20Would%20Gain%20Coverage%20under%20Medicaid%20Expansion%20in%20North%20Carolina.pdf>

^c Jaymie Baxley. "Medicaid expansion is off to a strong start in NC." North Carolina Health News, December 28, 2023. <https://www.northcarolinahealthnews.org/2023/12/28/medicaid-expansion-starts-strong/>

Provide subsidies for health insurance. The Affordable Care Act allows people to buy subsidized health insurance. Currently, nine states have state-funded subsidies available in addition to federal subsidies, including California, Maryland, and New Jersey.⁶⁵ New York and Minnesota have also implemented Basic Health Programs to provide comprehensive coverage with free or very low premiums to residents with up to 200 percent of FPL.⁶⁶ Additional states should create subsidies to reduce health care costs, making coverage more affordable than it would be with the federal subsidies alone. In 2021, Maryland allocated funding to provide additional premium subsidies to young adults ages 18 to 34 whose income amounts up to 400 percent of the poverty level. Maryland's goal was to decrease the number of uninsured annually. Upon providing subsidies, Maryland saw an increase of new applicants by 33 percent, equating to 41,600 Black Marylanders now having health insurance.⁶⁷

⁶⁵ Louise Norris. "Which states offer their own health insurance subsidies?" HealthInsurance.Org, February 13, 2024. <https://www.healthinsurance.org/faqs/which-states-offer-their-own-health-insurance-subsidies/>

⁶⁶ Jennifer Tolbert, Larisa Antonisse, and Stan Dorn. "Improving the Affordability of Coverage through the Basic Health Program in Minnesota and New York." The Kaiser Commission on Medicaid and the Uninsured, December 2016. <https://files.kff.org/attachment/Issue-Brief-Improving-the-Affordability-of-Coverage-through-the-Basic-Health-Program-in-Minnesota-and-New-York>

⁶⁷ Meredith Cohn. "How to sign people up for health insurance? Free food and Santa photo ops." The Baltimore Banner, January 19, 2024. <https://www.thebaltimorebanner.com/community/public-health/maryland-health-exchange-sets-records-KZKH5JMN5FBDRIOOVL5XV5V4OM/>



Childcare

Not being able to secure affordable childcare keeps Black people from being able to work. Black parents are nearly two times more likely than white parents to have to quit, turn down, or make a major change in their job due to childcare disruptions. Thirty five percent of women state that childcare is the main reason they are not employed.⁶⁸ Cary Y., 48 from Texas, in a focus group of low-income people, described, “One of the things that I hear the most is the cost of childcare is killing [the point of working] because [people are] working just to pay childcare and it’s canceling out whatever advances they’re trying to make... because that childcare [cost] is so high.”

Most low-income families are spending 35 percent of their annual earnings on childcare—five times what is considered affordable.⁶⁹ In 35 states, families pay more for childcare than for mortgages.⁷⁰ The lack of affordable childcare particularly impacts Black women. Black mothers are more likely to have less workplace flexibility, live in childcare deserts, and not have childcare help.⁷¹ According to the Black Economic Alliance, childcare assistance increases employment anywhere from 5 to 21 percent among single mothers. High quality, reliable childcare is not only beneficial for parents, but also immensely impactful for children. Studies have shown that early childcare is linked to children’s increased readiness for school and likelihood to graduate from college and higher salaries.⁷²

⁶⁸ Leila Schochet. “The Child Care Crisis Is Keeping Women Out of the Workforce.” Center for American Progress, March 28, 2019. <https://www.americanprogress.org/article/working-families-spending-big-money-child-care/> Rasheed Malik. “Working Families Are Spending Big Money on Child Care.” Center for American Progress, June 20, 2019. <https://www.americanprogress.org/article/child-care-crisis-keeping-women-workforce/>

⁶⁹ Rasheed Malik. “Working Families Are Spending Big Money on Child Care.” Center for American Progress, June 20, 2019. <https://www.americanprogress.org/article/working-families-spending-big-money-child-care/>

⁷⁰ Shael Polakow-Suransky. “How to End the Child-Care Crisis.” The New York Times, May 24, 2019. <https://www.nytimes.com/2019/05/24/opinion/child-care-crisis.html>

⁷¹ Ember Smith and Richard V. Reeves. “Black moms facing the toughest childcare crunch: How policy can help.” Brookings Institute, February 24, 2021. <https://www.brookings.edu/articles/black-moms-facing-the-toughest-childcare-crunch-how-policy-can-help/>

⁷² Andres S. Bustamante, Eric Dearing, Henrik Daae Zachrisson, Deborah Lowe Vandell, and Kathy Hirsh-Pasek. “High-quality early child care and education: The gift that lasts a lifetime.” Brookings Institute, November 4, 2021. <https://www.brookings.edu/articles/high-quality-early-child-care-and-education-the-gift-that-lasts-a-lifetime/>

Right to Early Education: New Mexico



New Mexico was ranked as one of the worst states for child wellbeing, however, in 2022, the state passed a constitutional amendment guaranteeing a right to early childcare education. The amendment is paid for through the state's Land Grant Permanent Fund, which is financed by fees New Mexico collects on oil and gas development on public land. Since the money will be allocated as a steady stream of \$150 million a year—funds that are predicted to increase—New Mexico is expected to be able to provide free childcare and preschool to all its children. The amendment will allow families, especially Black, Hispanic, Latino, and Indigenous families, to access childcare without worrying about their ability to pay.

^a Casey Parks. "In N.M. Child-Care Funding Win, Providers Nationwide See Road Map." The Washington Post, November 10, 2022. <https://www.washingtonpost.com/dc-md-va/2022/11/10/new-mexico-child-care-fund/>

^b Bryce Covert. "New Mexico is the First State to Guarantee a Right to Early Childhood Education. Universal Child Care Could Come Next." Early Learning Nation, November 9, 2022. <https://earlylearningnation.com/2022/11/new-mexico-is-the-first-state-to-guarantee-a-right-to-early-childhood-education-universal-child-care-could-come-next/>



\$24 billion worth of childcare funding.

During the COVID-19 pandemic, as part of the American Rescue Plan Act (ARPA), the federal government set aside \$24 billion worth of childcare funding.⁷³ Money was allocated to help businesses cover rent and maintenance of childcare facilities, as well as raise wages for drastically underpaid childcare workers. The funds, which helped to keep the vast majority of childcare centers afloat during the pandemic, expired on September 30, 2023. Without federal or state intervention, this will likely result in 3.2 million children losing access to care.⁷⁴

Recognizing the hardship the severe reduction in federal funds is going to cause, the majority of states have earmarked state dollars to take up some of the slack. Over twenty governors across the country included a commitment towards investments for childcare in their budgets for the 2024 fiscal year. The work now is to ensure that these resources remain in state budgets and address the needs of Black families.

⁷³ The White House. "American Rescue Plan's Child Care Stabilization Funds Stabilized the Industry While Helping Mothers Return to Work." November 27, 2023. <https://www.whitehouse.gov/cea/written-materials/2023/11/07/child-care-stabilization>

⁷⁴ Julie Kashen, Laura Valle-Gutierrez, Lea Woods and Jessica Milli. "Child Care Cliff: 3.2 Million Children Likely to Lose Spots with End of Federal Funds." The Century Foundation, June 21, 2023. <https://tcf.org/content/report/child-care-cliff/>

Policy Solutions

Pay childcare workers competitive wages. Due to low wages and poor benefits, the childcare industry continues to struggle to maintain a steady workforce. In 41 states, childcare workers do not earn a living wage.⁷⁵ In fact, the average childcare worker makes approximately \$11.42 per hour, or \$23,760 per year.⁷⁶ While the living wage rate varies by state, which is estimated at approximately \$25 per hour, childcare workers are making substantially less. This harms not only the families and children that rely on this care, but also the workers—predominantly female and Black who provide it. States need to fix this by paying childcare workers a living wage. This can be done by updating reimbursement calculations to include enrollment numbers versus daily attendance rates. Additionally, states are required by federal law to review the market rate for childcare workers every three years. Research indicates that this review is not happening, which is critically important now in the face of rising inflation.⁷⁷ Finally, states are using resources to give childcare providers stipends and bonuses. The District of Columbia used funds from a wealth tax to give all eligible childcare workers a one-time payment of \$10,000, which is equivalent to a 25 percent pay increase.⁷⁸ Other states have followed this model at a smaller scale.

Consolidate childcare services and agencies. To make it easier for families to access early childhood services, they should all be in one place. This includes consolidating all state agencies that provide early childcare, allowing parents to go to one place to get the services needed for their children. Additionally, head start programs and childcare centers should be in a single facility so parents don't have to navigate a patchwork of programs in different locations. This includes creating comprehensive full day and evening childcare coverage. The goal is to avoid forcing parents to navigate a patchwork of services and put together a workable childcare plan. Illinois, Colorado, Georgia, New Mexico, and Massachusetts have consolidated services.⁷⁹

Subsidize payment for trusted adults to provide care. California, Illinois, and New York have long-standing programs to allow a family member, neighbor, or other trusted adult to receive state payment for providing regular childcare. In Black communities where family members are already providing family childcare responsibilities, state expansion of this policy could make significant economic impact while helping to solve childcare shortages. Eligibility requirements for receiving the benefit vary by state. New York recently updated this program to allow a family of four making less than \$90,000 a year to qualify, up from \$55,000 a year.⁸⁰

⁷⁵ Kinah Harrison. "Child care workers don't earn a living wage – and that's a problem for all of us." Every Child Thrives, March 17, 2022. <https://everychildthrives.com/child-care-workers-dont-earn-a-living-wage-and-thats-a-problem-for-all-of-us/#:~:text=Child%20care%20workers%20in%2041,as%20Black%2C%20Asian%20or%20Latino>

⁷⁶ National Women's Law Center. "Child Care Is Fundamental to America's Children, Families, and Economy." Updated January 2019. <https://nwlc.org/wp-content/uploads/2019/01/Child-Care-Fundamental-1-2019.pdf>

⁷⁷ Maureen Coffey. "States Can Improve Child Care Assistance Programs Through Cost Modeling." Center for American Progress, March 9, 2023. <https://www.americanprogress.org/article/states-can-improve-child-care-assistance-programs-through-cost-modeling/>

⁷⁸ "D.C. Child Care Workers to Get \$10,000 Payments from Government." DCist, February 2, 2022. <https://dcist.com/story/22/02/02/dc-child-care-worker-payment/>

⁷⁹ Luci Manning. "Which States Most Efficiently Utilize Federal Child Care Dollars." Bipartisan Policy Center, January 12, 2023. <https://bipartisanpolicy.org/press-release/which-states-most-efficiently-utilize-federal-child-care-dollars/>

⁸⁰ Amy Feiereisel. "More New York Families Can Now Get Help to Pay for Child Care. Do You Qualify?" New York Now, June 28, 2023. <https://nynow.wmht.org/blogs/politics/more-new-york-families-can-now-get-help-to-pay-for-child-care-do-you-qualify/>



Affordable Childcare Model: Illinois

In 2023, Illinois joined states like Colorado, Georgia, New Mexico, and Massachusetts in establishing a state agency fully dedicated to early childhood services while also expanding childcare funding, allowing an additional 20,000 children to qualify for care. This will enable approximately 80 percent of Illinois families to pay less for childcare—a significant achievement considering Black households in Illinois spend 61 percent of their earnings on childcare.^a

Across Chicago's Black communities, just under 4,000 home daycare centers are founded by Black women.^b In 2019, the Center for the Study of Child Care Employment at the University of California, Berkeley released a report stating that 75 percent of Black home childcare educators earn less than the national median income, compared to 59 percent of all other races and ethnicities.^c Most of these educators live close to or below the poverty line and often limit the number of children they care for due to lack of resources and funding. This is not only detrimental to the livelihood of these workers but also to families that need childcare. Funding from the state agency will help support Black owned daycare centers and increase the care they provide, ensuring workers are paid at an equitable rate.



^a Illinois Business Journal. "Expanded child care subsidy impacts 20,000 more children, state says." June 15, 2022. <https://www.ibjonline.com/2022/06/15/expanded-child-care-subsidy-impacts-20000-more-children-state-says/>

^b Illinois Cares for Kids. "Child Care Assistance Program." Illinois Department of Human Services, Division of Early Childhood, n.d. <https://www.illinoiscaresforkids.org/infant/early-care-and-education/child-care-assistance-program>

^c Catherine Gonzalez and Linda Smith. "Child Care for Black Families is a Community Affair, Yet the Most Important Player is Missing." Bipartisan Policy Center, August 6, 2021. <https://bipartisanpolicy.org/blog/child-care-black-families/>

^d Peter Hancock. "Pritzker proposes creation of new standalone early childhood agency." Pantagraph, October 24, 2023. https://pantagraph.com/news/state-regional/government-politics/pritzker-seeks-to-merge-early-child-services/article_49ebf428-72b4-11ee-a488-b395b5922853.html

^e Nicole Jeanine Johnson. "Black Women Childcare Providers Face Peril as COVID-Era Funding Expires." Chicago Defender, September 21, 2023. <https://chicagodefender.com/black-women-childcare-providers-face-peril-as-covid-era-funding-expires/>

American Rescue Plan Act: Impacts on Childcare

The American Rescue Plan Act (ARPA) was introduced and passed by the federal government in 2021, to deliver immediate relief to millions of Americans, in response to the COVID-19 pandemic and the corresponding economic crisis. The Plan committed nearly \$40 billion in dedicated childcare relief funding, including \$24 billion for Child Care Stabilization Grants in 50 states.^a These grants were critical to help childcare centers and family childcare providers to remain open or reopen. Over 225,000 providers received grants, enabling them to serve as many as 10 million children.^b

As a result of ARPA funds, 44 states made improvements to their childcare distribution policies, lowering income eligibility requirements so more families could access subsidized childcare, reduce parental co-pay costs, and increase salaries for childcare workers.^c On September 30, 2023, these funds ended, generating what is being described as a childcare cliff. In response, states are putting more resources to childcare than ever before, using general funds to sustain and protect state childcare programs. States that have taken positive steps forward include:



Kentucky: Currently 42 percent of Black people in Kentucky reside in childcare deserts.^d Governor Andy Beshear pledged an additional \$50 million in state funding to support another round of Childcare Stabilization Grants in December 2023. Licensed, certified, and registered childcare providers who have been open and serving children for at least six months as of June 30, 2023 would be eligible.^e In previous rounds of grants, 1,725 childcare programs received funding, mostly for personnel costs to keep programs staffed, benefiting 129,000 children.^f



Louisiana: In 2023, Louisiana committed nearly \$52 million in funding for early care and education – the largest state investment in the Child Care Assistance Program (CCAP) in over a decade. The CCAP provides financial assistance to low-income families while the parents or legal guardians are working or attending school. The state investment will save an estimated 4,000 childcare seats in Louisiana.^g For 2022, the program served 23,415 children and Louisiana's Black community makes up 32.8 percent of the population.^h



New York: New York allocated \$446 million in general funds for its childcare subsidy program.ⁱ Eligibility expanding from 300 percent of the federal poverty level (or \$83,250 for a family of four) to 85 percent of the state median income (or \$93,200 for a family of four), increasing access for 100,000 families.^j For participants in the Child Care Assistance Program, the state is also capping childcare costs at 1 percent of the total family income above the poverty line and increasing the number of allowable absences from 24 to 80 to standardized eligibility across local districts.^k

^a Child Care Aware of America. "American Rescue Plan Act (ARP)." n.d. <https://www.childcareaware.org/our-issues/public-policy/american-rescue-plan-arp-act/#infographic>

^b Administration for Children and Families. "American Rescue Plan Child Care Stabilization: Fact Sheet." November 2023. https://www.acf.hhs.gov/sites/default/files/documents/occ/American_Rescue_Plan_Child_Care_Stabilization_Fact_Sheet_Nov_2023.pdf

^c Karen Schulman. "Child Care Rescue: How States Are Using Their American Rescue Plan Act Child Care Funds." National Women's Law Center, October 2022. <https://nwlc.org/resource/child-care-rescue-how-states-are-using-their-american-rescue-plan-act-child-care-funds/>

^d Sheryl F. Means, Ph.D. "Kentucky Child Care Deserts and Where to Find Them." The Prichard Committee, May 10, 2019. <https://www.prichardcommittee.org/kentucky-child-care-deserts-and-where-to-find-them/>

^e Child Care Aware of Kentucky. "Update on Stabilization Payments." August 29, 2023. <https://www.childcareawareky.org/update-on-stabilization-payments/>

^f Administration for Children and Families. "Kentucky ARP Child Care Stabilization Fact Sheet." n.d. https://www.acf.hhs.gov/sites/default/files/documents/occ/Kentucky_ARP_Child_Care_Stabilization_Fact_Sheet.pdf

^g Dustin Pugel. "Child Care in Kentucky Is Crucial and in Dire Need of Public Investment." Kentucky Center for Economic Policy, November 11, 2021. <https://kypolicy.org/report-child-care-in-kentucky-is-crucial-and-needs-public-investment/>

^h Annie E. Casey Foundation. "Children Served By The Child Care Assistance Program (CCAP) In Louisiana." December 2023. <https://datacenter.aecf.org/data/tables/1523-children-served-by-the-child-care-assistance-program-ccap#detailed/2/any/false/1095,2048,574,1729,37,871,870,1447,1248,1090/6852,6853/7724,7725>

ⁱ Ready Louisiana Coalition. "Statement From Ready Louisiana Coalition On Historic Investment in Child Care Assistance." June 30, 2023. <https://policyinstitutela.org/press-releases/statement-from-ready-louisiana-coalition-on-historic-investment-in-child-care-assistance/>

^j Schuyler Center for Analysis and Advocacy. "Schuyler Center's Last Look at the NYS 2023-24 Budget as It Intersects with Our Policy Priorities." May 9, 2023. <https://scaany.org/wp-content/uploads/2023/05/Schuyler-Center-Last-Look-at-2023-24-Enacted-NYS-Budget.pdf>

^k Governor Kathy Hochul's Press Office. "Governor Hochul Announces Significant Actions to Expand Affordable Child Care Access Statewide as Part of FY 2024 Budget." May 3, 2023. <https://www.governor.ny.gov/news/governor-hochul-announces-significant-actions-expand-affordable-child-care-access-statewide>

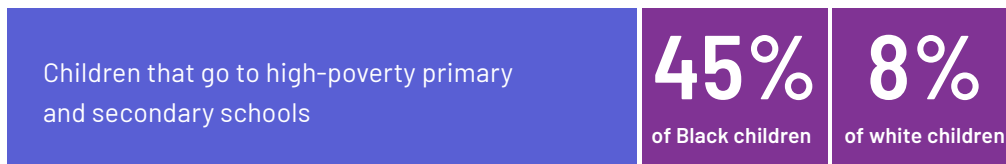


Higher Education

Higher education has always been thought of as a gateway to success. Sixty eight percent of Black Census respondents are in favor of making college education affordable for any person who wants to attend. Findings about the increasing wealth gap in this country, where white households hold nearly eight times the median wealth of Black families⁸¹, are discussed throughout this Agenda. Education is largely believed to be what will equalize this gap. However, data suggests that without policy changes, this is not the case.

Starting early in their educational careers, Black children have on average less access to quality education, an issue that ranked as the third most prevalent issue overall to Black census takers. Many structural barriers contribute to this disparity. Public schools are funded by property tax, creating disparities between affluent and poor neighborhoods and thriving versus struggling school systems. Forty five percent of Black children go to high-poverty primary and secondary schools compared with 8 percent of white students.⁸² Lack of resources for schools also largely means lack of access to programs like Advancement Placement Courses that prepare students for college courses.⁸³ As a result, Black students often get to college finding that they are not necessarily as prepared for college as their white peers.

The other great impediment to college success is economic disparities. Making college affordable would help alleviate the debt Black Americans face to obtain a higher education. According to the NAACP, 86 percent of Black students borrow money to earn a bachelor's degree and owe 50 percent more than white students upon graduation.⁸⁴ This is only compounded by low graduation rates and employers who still pay Black people less than white people for the same job.⁸⁵



⁸¹ Emily Moss, Kriston McIntosh, Wendy Edelberg, and Kristen Broady. "The Black-white wealth gap left Black households more vulnerable." Brookings Institute, December 8, 2020. <https://www.brookings.edu/articles/the-black-white-wealth-gap-left-black-households-more-vulnerable/>

⁸² National Center for Education Statistics. "Concentration of Public School Students Eligible for Free or Reduced-Price Lunch." Updated May 2023. <https://nces.ed.gov/programs/coe/indicator/clb/free-or-reduced-price-lunch>

⁸³ Roby Chatterji, Neil Campbell, and Abby Quirk. "Closing Advanced Coursework Equity Gaps for All Students." Center for American Progress, June 30, 2021. <https://www.americanprogress.org/article/closing-advanced-coursework-equity-gaps-students/>

⁸⁴ Charles H.F. Davis III, Ph.D., Jallil Mustaffa Bishop, Ph.D., Kyah King, M.Ed., and Ayan Jama, M.Ed. "Legislation, Policy, and the Black Student Debt Crisis." National Association for the Advancement of Colored

People, 2020. <https://naacp.org/resources/legislation-policy-and-black-student-debt-crisis>

⁸⁵ Valerie Wilson and William Darity, Jr. "Understanding black-white disparities in labor market outcomes requires models that account for persistent discrimination and unequal bargaining power." Economic Policy Institute, March 25, 2022. <https://www.epi.org/unequalpower/publications/understanding-black-white-disparities-in-labor-market-outcomes/>



Community colleges, considered to be more accessible than four-year colleges, also have a history of racism.⁸⁶ In the early 20th century, these schools excluded Black students either outright or by quietly failing to admit them. This led to Black students having less access to postsecondary education. Now, community colleges serve high numbers of Black students and are traditionally considered a strong pathway to get exposure to college courses. But these schools are largely plagued with a lack of state investment. Community colleges have a \$78 billion funding shortfall when compared to four-year institutions.⁸⁷

Rates of enrollment in four year universities and community colleges are on the decline. This is largely due to the financial inaccessibility of these institutions, further exacerbated since COVID-19. In fact, Black student enrollment in community colleges has decreased by 44 percent over the last ten years.⁸⁸ This is not only the failure to pay tuition, but also the inability to afford food, have secure housing, or find sustainable employment that is preventing Black people who would like to pursue a college education from following this dream. And for the students who actually enroll, the majority go to underfunded community colleges where nearly half of all students drop out in the first year. Forty percent of Black students complete four-year university programs compared to 64 percent of white students.⁸⁹

To get out of this catch-22, where poverty keeps Black Americans from pursuing higher education and the inability to obtain higher education contributes to the continuation of poverty, the following policy solutions are recommended.



⁸⁶ Dr. Alex Camardelle, Brian Kennedy II, and Justin Nalley. "The State of Black Students at Community Colleges." Joint Center for Political and Economic Studies, September 21, 2022. <https://jointcenter.org/wp-content/uploads/2022/09/The-State-of-Black-Students-at-Community-Colleges.pdf>

⁸⁷ Community College Research Center. "Public Funding of Community Colleges." February 2022. <https://ccrc.tc.columbia.edu/publications/public-funding-community-colleges.html>

⁸⁸ Dr. Alex Camardelle, Brian Kennedy II, and Justin Nalley. "The State of Black Students at Community Colleges." Joint Center for Political and Economic Studies, September 21, 2022. <https://jointcenter.org/wp-content/uploads/2022/09/The-State-of-Black-Students-at-Community-Colleges.pdf>

⁸⁹ Jon Marcus. "The College Degree Gap between Black and White Americans Was Always Bad. It's Getting Worse." The Hechinger Report, May 15, 2023. <https://hechingerreport.org/the-college-going-gap-between-black-and-white-americans-was-always-bad-its-getting-worse/>

Free Community College Model: Tennessee

In 2014, Tennessee established the Tennessee Promise Scholarship which affords recent high school graduates the opportunity to attend any of the state's community colleges tuition free and receive an associate degree or technical diploma.^a In 2020, the program saw its largest cohort since the program began mainly due to waived or adjusted application requirements due to COVID-19, and in a 2021 report, Tennessee's college attendance rate increased from 58.6 percent to 64.4 percent in the first year of the program. Although the report states an increase in students, the rate of Black students is still steadily declining. Black students make up 20 percent of applicants but only 12 to 15 percent become students. To ensure this does not become a habitual problem and Black students are adequately prepared for college and feel confident during their college tenure, legislators have called for including dual-enrollment opportunities, summer bridge programs, and intrusive coaching into their secondary education.^b

^a Tennessee Comptroller of the Treasury. "Tennessee Promise Evaluation." n.d. <https://comptroller.tn.gov/office-functions/research-and-education-accountability/publications/higher-education/content/tennessee-promise-evaluation.html#:~:text=The%20update%20shows%20more%20students,first%20year%20of%20the%20program.>

^b Tennessee Higher Education Commission (THEC) and Tennessee Student Assistance Corporation (TSAC). "Tennessee Promise Annual Report 2022." 2022. <https://www.tn.gov/content/dam/tn/thec/bureau/research/promise/TN%20Promise%20Annual%20Report%202022.pdf>

Policy Solutions

Eliminate student loan debt. Student loan debt in the United States has ballooned significantly in the last few decades. Since 1980, the cost of college tuition has increased 169 percent, yet the average earnings for young workers has only increased by 19 percent.⁹⁰ According to the Institute for College Access and Success, the average debt for graduates in the class of 2020 was more than \$30,000 in 19 states.⁹¹ As of 2023, nearly 44 million borrowers owe a staggering \$1.766 trillion in federal student loans.⁹² The burden of student loan debt can impact people's ability to own a home, afford to have children, and save for retirement. This is especially acute for Black Americans as they owe an average of \$25,000 more in student loans than white college graduates four years after graduating.⁹³ There is no question that eliminating student debt will allow Black people to have stronger participation in our economy. While the fight to relieve student debt continues at the federal level, states have the power to do more to provide assistance through loan repayment assistance programs. In Maryland, SmartBuy provides financing to eliminate student debt and support first-time homebuyers. Now in its third iteration, the SmartBuy 3.0 program financing provides up to 15 percent of the home purchase price for the borrower to pay off their outstanding student debt, with a maximum payoff amount of \$20,000.⁹⁴

⁹⁰ Anthony P. Carnevale, Artem Gulish, and Kathryn Peltier Campbel. "If Not Now, When? An Urgent Need for an All-One System Approach to Youth Policy." 2021. https://cew.georgetown.edu/wp-content/uploads/cew-all_one_system-fr.pdf

⁹¹ The Institute for College Access & Success. "Student Debt and the Class of 2020." November 2021. <https://ticas.org/wp-content/uploads/2021/11/classof2020.pdf>

⁹² Melanie Hanson. "Student Loan Debt Statistics." Education Data Initiative, updated August 20, 2023. <https://educationdata.org/student-loan-debt-statistics>

⁹³ Judith Scott-Clayton and Jing Li. "Black-white disparity in student loan debt more than triples after graduation." Brookings Institute, October 20, 2016. <https://www.brookings.edu/articles/black-white-disparity-in-student-loan-debt-more-than-triples-after-graduation/>

⁹⁴ Maryland Mortgage Program. "Maryland SmartBuy Program." Maryland Department of Housing and Community Development. n.d. <https://mmp.maryland.gov/Pages/SmartBuy/default.aspx>



Make two-year community colleges free. Black students shoulder the most debt at community colleges.⁹⁵ This is coupled with growing housing and food insecurity, all contributing to students dropping out or failing to secure a degree. Overall, community colleges receive significantly less funding per student than public four-year institutions, even though they serve a greater proportion of students who need additional programs and support to be successful.⁹⁶ While states and municipalities have largely subsidized community colleges, these numbers are decreasing. The Biden-Harris administration campaigned to make two years of college tuition-free, and states should push for this policy and contribute additional resources to make it happen.

Invest in historically Black colleges and universities (HBCUs). Historically Black colleges and universities represent only three percent of all two-year and four-year postsecondary institutions in the United States, yet they have a significant impact on Black higher educational attainment and economic mobility. To illustrate, HBCUs award 17 percent of all Black bachelor's degrees overall—24 percent of which are in the science, engineering, mathematics, and technology fields.⁹⁷ The economic mobility rate for Black students at HBCUs is 3.0, nearly double that of all colleges in the country.⁹⁸ Additionally, Black students at HBCUs also are happier and do better, largely due to a more supportive campus environment.⁹⁹ Nonetheless, states significantly underfund HBCUs. A federal analysis of per-student state spending data from 1987 to 2020 shows that 16 of the country's 19 historically Black land-grant universities have been underfunded by their states by a total of \$13 billion.¹⁰⁰ Ohio and Delaware are the only states that equally fund HBCU land grants. Other states' institutions had funding gaps between \$172 million to \$2.14 billion compared with their predominantly white counterparts.¹⁰¹

⁹⁵ Dr. Alex Camardelle, Brian Kennedy II, and Justin Nalley. "The State of Black Students at Community Colleges." The Joint Center for Political and Economic Studies. September 21, 2022. <https://jointcenter.org/wp-content/uploads/2022/09/The-State-of-Black-Students-at-Community-Colleges.pdf>

⁹⁶ Community College Research Center. "Public Funding of Community Colleges." February 2022. <https://ccrc.tc.columbia.edu/media/k2/attachments/public-funding-community-colleges.pdf>

⁹⁷ John Michael Lee, Jr. and Samaad Wes Keys. "Repositioning HBCUs for the Future." Association of Public and Land-Grant Universities, n.d. <https://www.aplu.org/wp-content/uploads/repositioning-hbcus-for-the-future-access-success-research-and-innovation.pdf>

⁹⁸ McKinsey Institute for Black Economic Mobility. "How HBCUs can accelerate Black economic mobility." July 30, 2021. <https://www.mckinsey.com/industries/education/our-insights/how-hbcus-can-accelerate-black-economic-mobility>

⁹⁹ Bryan Cook. "Black Students Find Greater Satisfaction Attending Historically Black Colleges and Universities." The Urban Institute, February 18, 2022. <https://www.urban.org/urban-wire/black-students-find-greater-satisfaction-attending-historically-black-colleges-and-universities>

¹⁰⁰ Katherine Knott. "States Underfunded Black Land Grants by \$13B over 30 Years." Inside Higher Ed | Higher Education News, Events and Jobs, September 20, 2023. <https://www.insidehighered.com/news/government/2023/09/20/states-underfunded-black-land-grants-13b-over-30-years#:~:text=Over%20all%2C%2016%20of%20the,data%20from%201987%20to%202020>

¹⁰¹ Ibid.



These funding gaps have forced many institutions to operate with inadequate resources, limiting their ability to invest in campus infrastructure, student services, research development, and more. To advance educational equity and opportunity for Black students, states must bridge the gap and build on recent federal assistance. The Biden-Harris Administration has committed \$16 billion in investments in HBCUs, including funding for institutional development, grants to support low-income students, debt relief, and workforce diversity.¹⁰² Further, states should be held accountable to match federal funding in their annual budgets. In 2021, four Maryland HBCUs won a lawsuit after a 15-year battle, arguing Maryland had underfunded their schools while allowing predominantly white institutions to copy their distinctive programs in direct competition. They will receive \$577 million in additional funding over 10 years to upgrade school infrastructure, increase scholarships, invest in faculty, and more.¹⁰³ Following the model Maryland has set, HBCUs in states like Alabama, Georgia, Tennessee, North Carolina, South Carolina, and Virginia are looking to do something similar to rectify decades of disinvestment.¹⁰⁴

¹⁰² U.S. Department of Education. "FACT SHEET: Biden-Harris Administration Highlights A Record of Championing Historically Black Colleges and Universities (HBCUs)." September 29, 2023. <https://www.ed.gov/news/press-releases/fact-sheet-biden-harris-administration-highlights-record-championing-historically-black-colleges-and-universities-hbcus>

¹⁰³ Ian Weiner. "After 15-Year Battle, Four Maryland HBCU's to Receive \$577 Million in Additional Funding in Victory for Education Equality." Lawyers' Committee for Civil Rights Under Law, March 24, 2021. <https://www.lawyerscommittee.org/after-15-year-battle-four-maryland-hbcus-to-receive-577-million-in-additional-funding-in-victory-for-education-equality/>

¹⁰⁴ Khristopher J. Brooks. "Black colleges were denied state funding for decades. Now they're fighting back." CBS News, updated June 17, 2021. <https://www.cbsnews.com/news/hbcu-coppin-state-tennessee-state-federal-funding-howard-kamala-harris/>



Budget and Taxes

Black Census respondents were clear: the government has a responsibility to pay for the essential services that keep us safe, healthy, educated, and financially supported. Taxes provide revenue for local, state, and federal governments to fund investments in those essential services and public goods. States with robust tax revenues are able to provide their residents with higher quality and quantity of public services,¹⁰⁵ including the exact services that Black Census respondents would like to prioritize: schools, better housing, affordable colleges, and health care subsidies and support.

Both how we raise tax dollars and how we invest them can have a significant impact on racial disparities.¹⁰⁶ However, our current tax system is upside down. In 9 out of every 10 states, our tax system puts larger burdens on lower-income families,¹⁰⁷ meaning that lower-income Americans pay a larger percentage of their income in taxes than wealthier Americans. And over the last 50 years, our tax systems have gone in the wrong direction: tax rates for the wealthiest Americans continue to decline, but stay the same for average working people.¹⁰⁸ This means less money for state budgets, fewer people paying their fair share, and lower-income people keeping less of the money they earn.

In 2025, we will have an opportunity to make real changes in many of our tax programs. With major tax legislation up for renewal at the federal level, states will also have a significant opportunity to rethink how we tax and move to a fairer, more equitable system. Changing the tax system would allow states to raise the money they need without overburdening workers who earn less.¹⁰⁹ States can take action to tax workers and corporate stakeholders more fairly and effectively, and to make sure that the budgets they build with those revenues put money where it is most needed: housing, health care, childcare, education—all of the priorities we heard in the Black Census. Below are a few priority actions states can take to change tax codes and budgets.

¹⁰⁵ Michael Leachman, Michael Mitchell, Nicholas Johnson and Erica Williams. "Advancing Racial Equity With State Tax Policy." Center on Budget and Policy Priorities, November 15, 2018. <https://www.cbpp.org/research/state-budget-and-tax/advancing-racial-equity-with-state-tax-policy>

¹⁰⁶ Vanessa Williams. "Closing the Racial Wealth Gap Requires Heavy, Progressive Taxation of Wealth." Brookings, December 9, 2020. <https://www.brookings.edu/articles/closing-the-racial-wealth-gap-requires-heavy-progressive-taxation-of-wealth/#:~:text=Heavy%20progressive%20taxation%20directly%20reduces,used%20to%20advance%20racial%20equity>

¹⁰⁷ Chye-Ching Huang and Roderick Taylor. "How the Federal Tax Code Can Better Advance Racial Equity." Center on Budget and Policy Priorities, July 25, 2019. <https://www.cbpp.org/research/federal-tax/how-the-federal-tax-code-can-better-advance-racial-equity>

¹⁰⁸ Michael Greenstone and Adam Looney. "Just How Progressive Is the U.S. Tax Code?" Brookings Institute, April 13, 2012. <https://www.brookings.edu/articles/just-how-progressive-is-the-u-s-tax-code/>

¹⁰⁹ Carl Davis, et al. "Who Pays? 7th Edition." Institute on Taxation and Economic Policy, January 2024. <https://itep.org/whopays-7th-edition/>

Policy Solutions

Make income tax fairer and more effective, including making sure corporations and highest earners pay their fair share. According to the Center on Budget Policy and Priorities, in 9 of every 10 states, families earning the least, disproportionately families of color, pay a larger share of their income in state and local taxes than higher-income families.¹¹⁰ Sixty percent of 2023 Black Census respondents support raising taxes on individuals making over \$250,000 per year, and an equal percentage of 2018 respondents opposed reducing corporate taxes. States should right-size their tax systems, increasing taxes on the highest earners to better reflect their ability to pay and making sure that corporate players pay their fair share. Six states (Maine, Minnesota, New Jersey, New Mexico, New York, Vermont) and the District of Columbia have reserved their lowest overall tax rates for low-income families, and other states should as well.¹¹¹ Additionally, states should increase the taxes that large corporations pay. Too often corporations use loopholes and lower tax rates to avoid paying taxes, costing states billions of dollars that could be used to support essential goods and services.¹¹² There is an opportunity in states like North Carolina, which has one of the lowest corporate tax rates in the country, to shift the tax burden from low-income workers to companies who can afford to pay much more than they do.¹¹³

Pass and expand tax credit programs. Tax credit programs help low-income Americans keep more of what they earn and afford what they need. Two tax credit programs that have been extremely effective include the Earned Income Tax Credits (EITCs) and Child Tax Credits (CTCs). For people who earn below a certain income level, Earned Income Tax Credits (which can be federal or state) reduce the amount of taxes people are required to pay. Child Tax Credits reduce taxes by a set amount based on the number of children a worker has, and help families manage the cost of raising children. During the COVID-19 pandemic, Child Tax Credits were temporarily increased, and sixty-two percent Black Census respondents approved of both the increase and the monthly payments that made it easier for families with children to access the credit during that time. This was particularly true in urban areas, the Northeast and in the West, where cost of living is the highest in the country.

¹¹⁰ Samantha Waxman and Iris Hinh. "States Can Enact or Expand Child Tax Credits and Earned Income Tax Credits to Build Equitable, Inclusive Communities and Economies." Center on Budget and Policy Priorities, updated March 3, 2023. <https://www.cbpp.org/research/state-budget-and-tax/states-can-enact-or-expand-child-tax-credits-and-earned-income-tax>

¹¹¹ *ibid.*

¹¹² The Urban Institute. "Corporate Income Taxes." n.d. <https://www.urban.org/policy-centers/cross-center-initiatives/state-and-local-finance-initiative/projects/state-and-local-backgrounders/corporate-income-taxes>

¹¹³ *ibid.*



Research shows these tax credits have an enormous impact. In 2019, over 3.2 million Black women benefited from EITC.¹¹⁴ In 2021, child poverty in the United States reached a historic low of 5.2 percent when the federal CTC was expanded.¹¹⁵ The income from tax credits benefits children from birth through early adulthood, with improved health and education outcomes, including better childhood nutrition, higher rates of secondary school and college enrollment, and increased earnings in early adulthood. Families are able to save for college and cover K-12 tutoring costs. Additionally, studies have found that more generous state EITCs are associated with improved birth outcomes and reduced hardship events like eviction, food insecurity, or loss of transportation.¹¹⁶ States should adopt their own EITCs, expand existing EITCs to younger workers and immigrants, and increase the credits for lower-income families. States should implement or expand their own CTCs to protect their residents and bolster their economic security.

¹¹⁴ Chuck Marr and Yixuan Huang. "Women of Color Especially Benefit From Working Family Tax Credits." Center on Budget and Policy Priorities, September 9, 2019. <https://www.cbpp.org/research/federal-tax/women-of-color-especially-benefit-from-working-family-tax-credits>

¹¹⁵ Danilo Trisi. "Government's Pandemic Response Turned a Would-Be Poverty Surge Into a Record Poverty Decline." Center on Budget and Policy Priorities, August 29, 2023. <https://www.cbpp.org/research/poverty-and-inequality/governments-pandemic-response-turned-a-would-be-poverty-surge-into>

¹¹⁶ Iris Hinh and Samantha Waxman. "States Can Enact or Expand Child Tax Credits and Earned Income Tax Credits to Build Equitable, Inclusive Communities and Economies" Center on Budget and Policy Priorities, March 3, 2023. <https://www.cbpp.org/research/state-budget-and-tax/states-can-enact-or-expand-child-tax-credits-and-earned-income-tax>



Case for Expanding Tax Credits

States are increasingly recognizing the impact of these credits for low-income families. As of 2022, 31 states, the District of Columbia, and Puerto Rico have adopted their own EITCs. States are continuing to expand EITC programs to younger workers and immigrants and increase credits for lower-income families. For example, California, Maine, Maryland, Minnesota, New Jersey, and New Mexico have lowered the age eligibility of their state-level EITCs to either 18 or 21 years of age.^a Virginia recently enacted a policy to provide a larger credit to families with the lowest earnings,^b and Illinois is expanding EITC to immigrant populations.^c

The District of Columbia's refundable EITC provides the highest match rate in the nation at 70 percent of the federal EITC rate for the 2023 tax year.^d D.C. will also increase its match rate to 100 percent beginning in 2026.^e Expansions to D.C.'s EITC will help advance tax and racial justice. Data shows that nearly seven in ten eligible EITC filers in D.C. are Black, and about that many filers or their spouses are women.^f

According to the Center on Budget Policy and Priorities, these tax credits have had enormous impact. With the expansion of the federal Child Tax Credit during the pandemic, the child poverty rate for Black children decreased from 17.2 percent to 8.3 percent.^g The expansion of EITC in 2021 raised the income of 2.6 million Black adults which assisted in managing living costs.^h

^a Samantha Waxman and Iris Hinh. "States Can Enact or Expand Child Tax Credits and Earned Income Tax Credits to Build Equitable, Inclusive Communities and Economies." Center of Budget and Policy Priorities, updated March 3, 2023. <https://www.cbpp.org/research/state-budget-and-tax/states-can-enact-or-expand-child-tax-credits-and-earned-income-tax>

^b Institute on Taxation and Economic Policy. "Nearly 20 Million Will Benefit if Congress Makes the EITC Enhancement Permanent." May 13, 2021. <https://itep.org/nearly-20-million-will-benefit-if-congress-makes-the-eitc-enhancement-permanent/>

^c Megan Davis. "Virginia Families Can Now Claim an Improved EITC, and Policymakers Can Build on its Success." The Commonwealth Institute, updated October 4, 2023. <https://thecommonwealthinstitute.org/the-half-sheet/virginia-families-can-now-claim-an-improved-eitc-and-policymakers-can-build-on-its-success/>

^d Erica Williams. "DC's Earned Income Tax Credit: The Most Generous in the Nation, But Not the Most Inclusive." DC Fiscal Policy Institute, April 5, 2022. <https://www.dcfpi.org/wp-content/uploads/2022/04/EITC-ITIN-Expansion-Update-4.14.pdf>

^e Ibid.

^f Ibid.

^g Iris Hinh and Samantha Waxman. "States Can Enact or Expand Child Tax Credits and Earned Income Tax Credits to Build Equitable, Inclusive Communities and Economies." Center on Budget and Priority Policies, March 3, 2023. <https://www.cbpp.org/research/state-budget-and-tax/states-can-enact-or-expand-child-tax-credits-and-earned-income-tax>

^h Chuck Marr. "A Clear Policy Choice: Repeat Success by Expanding the EITC for Adults Without Children." Center on Budget and Priority Policies, October 19, 2023. Children <https://www.cbpp.org/blog/a-clear-policy-choice-repeat-success-by-expanding-the-eitc-for-adults-without-children>

Create a more fair and transparent budget process. State and local budgets directly impact the quality of life for its residents and reflect states' top priorities. Budgets determine how states and cities allocate funding toward public transportation, health care, housing, schools, and additional public services—all things that contribute to local economies and thriving communities. State and local governments should make their budget planning public and give opportunities for local residents to express their priorities.

Increasing transparency in the budget process and increasing public participation by citizens can influence how state, county, and city governments make decisions on their spending. Transparency, planning measures like longer-term revenue projections, and longer term spending plans help us see where state and local dollars are going and make sure state and local spending reflects our needs and priorities. Transparency must also be linked with pathways for true community input and impact on state and local budgets and policies. For example, New Jersey released their first assessment titled “Blueprint for Economic Justice and Shared Prosperity” in 2017, which helped guide policy priorities during Governor Phil Murphy’s first term. This included a \$15 minimum wage, paid sick leave, and expanded tax credits for low-income residents, all of which have a huge impact on economic wellbeing in the state.¹¹⁷

At the local level, more cities in the United States are adopting participatory budgeting, in which residents decide how to allocate a portion of the budget. In 2014, Greensboro, North Carolina became the first city in the South to enact participatory budgeting and provided each of its five city council districts with \$100,000 to spend.¹¹⁸ Durham, NC followed in 2018 and Raleigh, NC in 2023 with the creation of their own participatory budgeting committees. Funding in these cities have gone toward projects improving local parks, community roads and safety, and local arts investments¹¹⁹—all tangible investments in local communities driven by local residents. In Wisconsin, one community organization took matters into its own hands. There is demand for more community role in budgeting. For example, after years of pushing the city of Milwaukee to establish a participatory budgeting process, the African American Roundtable has created a fund that would allow residents to propose, vote on and implement programs.¹²⁰

¹¹⁷ New Jersey Policy Perspective. “Blueprint to Secure a Just Recovery.” 2021. <https://www.njpp.org/wp-content/uploads/2021/04/NJPP-Blueprint-to-Secure-a-Just-Recovery-Digital-April-2021.pdf>

¹¹⁸ Government of Greensboro, North Carolina. “About Participatory Budgeting.” n.d. <https://www.greensboro-nc.gov/departments/budget-evaluation/participatory-budgeting/about#:~:text=History,allocated%20%24100%2C000%20for%20capital%20projects>.

¹¹⁹ “Project Highlights.” Durham Participatory Budgeting. n.d. https://www.pbdurham.org/project-implementation_

¹²⁰ “African American Roundtable Launches Participatory Budgeting Program.” African American Roundtable, February 24, 2023. <https://aartmke.org/news-resources/african-american-roundtable-launches-participatory-budgeting-program>



Create baby bond programs. Baby bonds are universal, publicly funded child trust accounts that are intended to help build wealth and close racial wealth gaps.¹²¹ When a baby is born, the government places anywhere from \$1,000 to \$3,000 in a trust account. When those babies reach adulthood, they can use the funds for wealth-building activities, such as purchasing a home, investing in education, or starting a small business. While passing a baby bond program takes time to make an impact on wealth, experts agree that this is one way to begin closing the racial wealth gap and support wealth for the next generation. For example, if we passed a national baby bond program today, experts estimate that the average baby bond account for Black Americans would be roughly worth \$29,000 by age 18.¹²² Baby bond legislation has passed in California, Connecticut, and Washington, D.C. Another eight states have introduced legislation, including Iowa, New Jersey, New York, Wisconsin, Washington, Delaware, Nevada, and Massachusetts.¹²³

Pilot and expand guaranteed basic income programs. Guaranteed income is financial support provided by the government in periodic cash payments without any work requirements or other criteria. Over thirty local governments have been operating guaranteed income pilots, including cities across the west and the South, like New Orleans, Shreveport, Oakland, Stockton, Durham, Atlanta, and Birmingham.¹²⁴ Guaranteed basic income gives people the safety net they need to negotiate for better jobs, build healthier communities, and support their families.¹²⁵ As William T., 55 from Pennsylvania, participant in the focus group of men aged 35-55, shared: "I've been lucky enough to have health care that I didn't have to pay for throughout my career. I would like to see a universal income at least to help give people a fair chance." Local governments should expand on existing pilots and new areas should pilot and test these programs.

¹²¹ Madeline Brown, Ofronama Biu, Catherine Harvey, Trina R. Shanks. "The State of Baby Bonds." The Urban Institute, February 2, 2023. <https://www.urban.org/research/publication/state-baby-bonds>

¹²² Christa Cassidy, Rachel Heydemann, Anne Price, Nathaniel Unah and William Darity Jr. "Baby Bonds: A Universal Path to Ensure the Next Generation Has the Capital to Thrive." The Samuel Dubois Cook Center on Social Equity at Duke University, December 2019. https://socialequity-staging.ojt.duke.edu/cms/wp-content/uploads/2023/08/ICCED-Duke_BabyBonds_December2019-Linked.pdf

¹²³ Madeline Brown, Ofronama Biu, Catherine Harvey, Trina R. Shanks. "The State of Baby Bonds." The Urban Institute, February 2, 2023. <https://www.urban.org/research/publication/state-baby-bonds>

¹²⁴ Basic Income Lab at Stanford Center on Poverty and Inequality. "The Guaranteed Income Pilots Dashboard." n.d. <https://basicincome.stanford.edu/research/guaranteed-income-dashboard/>

¹²⁵ *ibid*



Take Action

[Black Futures Lab](#) listened to over 200,000 Black people through the Black Census to develop this Black Economic Agenda. Now we need to join together to fight for these policies that will make Black communities more powerful. As a valued community member and voter, you can use your power to hold elected officials accountable and make the Black Economic Agenda a reality in your state. Here are six actions you can take:

1. Add your name to our list of Black Economic Agenda community endorsements.
2. Commit to vote for candidates who are advocating for economic justice for Black communities.
3. Message your elected officials to tell them to endorse the Black Economic Agenda.
4. Share the Black Economic Agenda with your networks on social media.
5. Tell your story and share how the Black Economic Agenda would make your life better.
6. Host a Teach-In for your friends and family to learn about the Black Economic Agenda.

Lastly, connect with [Black Futures Lab](#) and [Black to the Future Action Fund](#).

- Sign up for Black Futures Lab and Black to the Future Action Fund newsletters.
- Apply for and receive legislative policy training through the Black to the Future Public Policy Institute.
- Learn about local volunteer opportunities with Black Futures Lab and Black to the Future Action Fund.
- Donate to Black Futures Lab and Black to the Future Action Fund to make Black people powerful in politics.



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