BLACK ECONOMIC ALLIANCE FOUNDATION
WORK • WAGES • WEALTH

Policy Agenda to Advance Black Work, Wages, and Wealth

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The Challenge & Opportunity

Black Americans continue to face expansive and persistent barriers to economic prosperity and wealth-building. The 28-point gap between Black and white homeownership rates in 2023 is the same as it was during Jim Crow. The median earnings for employed Black men and women amount to just 67 cents and 64 cents, respectively, for every dollar that a white man earns. Nearly 70 percent of middle-class Black children are projected to fall out of the middle class as adults. The median white family owns $285,000 in wealth, compared to just $44,900 for the median Black family; since the 1980s, the wealth gap has actually increased, with Black people expected to fall further behind economically in the coming years without significant private, public, and social sector intervention.

These disparities have cost the American economy an estimated $16 trillion over just the last two decades. Closing the racial wealth gap could increase U.S. GDP by between 4 and 6 percent by 2028, adding up to $1.5 trillion in output.

The right policy choices can break down the barriers to Black prosperity. Leaders have the opportunity to meaningfully advance Black work, wages, and wealth — growing our entire economy by trillions of dollars in the process — by reshaping our economic policies, systems, and structures.

Introduction to the Policy Agenda

The Black Economic Alliance (BEA) Foundation is the nation's leading organization harnessing the collective expertise and influence of Black business leaders to expand economic progress and prosperity for the Black community, with a specific focus on work, wages, and wealth. We partner with leaders across the public, private, and social sectors to champion policy reimagination, develop investment and philanthropic programs, commission research, and produce tangible solutions in communities across the country.

The BEA Foundation has engaged with leading policy experts and organizations, including the **Urban Institute, Joint Center for Political and Economic Studies, Center on Budget and Policy Priorities, National Urban League, Brennan Center for Justice, Alliance for Entrepreneurial Equity at Third Way, and Bipartisan Policy Center,**[1] to develop a policy agenda that is as transformational as it is practical. Importantly, this agenda is also grounded in the BEA Foundation's research on Black Americans' perspectives on the most impactful pathways to economic opportunity.

This policy agenda focuses on five areas critical to advancing Black work, wages, and wealth: affordable housing, entrepreneurship, jobs and workforce development, tax reform, and voting rights. The proposals center on federal action, while informing complementary state and local action as well as opportunities for public-private partnerships. Each section includes "spotlights" that highlight or expand on innovative and promising initiatives that exemplify the principles of the proposals.

This agenda embodies BEA's understanding — informed by research and practice — that improving Black work, wages, and wealth requires leaders across the public, private, and social sectors to all play critical roles in reshaping the markets, systems, and institutions that define our economy.

Above all, this agenda is a blueprint for growing Black economic opportunity and prosperity — and, in turn, the entire economy.

[1] The recommendations herein are solely those of the BEA Foundation. We are indebted to the expertise and feedback of these organizations, which is reflected in the agenda.

I. Affordable Housing

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Home ownership is a principal source of wealth creation for Americans yet remains unattainable for millions of Black families. In 2023, only 46 percent of Black households owned their homes, compared to 74 percent of white households — as noted earlier, this is on par with the homeownership gap during the Jim Crow era.

Black Americans don't fare much better in the rental market. Amid high rental prices, Black renters are subject to racial discrimination, receiving less information about vacancies and fewer responses to their applications. More than half of all Black renters are cost burdened, meaning that they spend more than 30 percent of their income on rent. All of this further exacerbates inequality and housing insecurity.

On the supply side of the housing market, our country is facing a deep affordability crisis; less than 10 percent of Black renter households can afford the median-priced home — the lowest point in years. At the same time, the wealth and income gaps resulting from systemic racism artificially stifle demand. Decades of underinvestment and underbuilding have created a severe shortage of affordable homes, leading to a supply deficit estimated at between 4 million to nearly 7 million units.

POLICY RECOMMENDATIONS TO MAKE HOUSING MORE AFFORDABLE AND ACCESSIBLE:

1. **Increase the supply of affordable rental and for-sale units** to help close the significant gap in our nation's housing stock.
    a) Streamline inspections and strengthen coordination between federal and local agencies to **reduce the burden on low-income development and rehabilitation projects** financed through the Low-Income Housing Tax Credit (LIHTC) program.
    b) Grant LIHTC projects the ability to **bypass local zoning requirements**, provided that objections to the project's placement are not due to concerns about community health.
    c) **Increase funding and incentives for more rehabilitation and renovation projects**, across all federally funded programs and private development.

d) **Simplify the Capital Magnet Fund (CMF) program** to expand access to affordable housing, including through the addition of program incentives for for-sale housing.

e) **Expand the HOME Investment Partnerships Program (HOME) to provide additional funding to states to produce affordable for-sale and rental housing**, specifically for low-income to extremely low-income families. For many states and local governments, HOME is the only reliable stream of affordable housing development and gap financing.

f) **Incentivize developers to adopt faster, less expensive, and more environmentally friendly construction methods,** including stick-built frames, modular housing, panelized, and fully integrated off-site solutions.

2. **Reduce the costs associated with buying a home**, especially for those with limited family resources and/or limited history of homeownership.

   a) **Implement a low- and middle-income first-generation homebuyer down payment assistance (DPA) program** for federally backed mortgages to make home ownership easier for buyers who have never owned property and whose parents have also never owned property.

   b) Mitigate the higher average interest rates that Black prospective homebuyers face by **investing in state and local efforts to create mortgage-rate buydown support programs.** Such programs allow people in need to pay an upfront, one-time fee to secure a more manageable interest rate for the first few years of their mortgage.

3. **Enforce anti-discrimination laws** and pursue policies that **reduce bias and promote inclusion and equity** in the housing market.

   a) Require **expanded credit evaluations to include other sources of information** to build a more holistic definition of a credit score — for example, by recognizing rental and utility payments as well as diverse sources of income.

   b) **Simplify and streamline the application process** for subsidized housing, so that individuals aren't forced to fill out multiple forms across different agencies and owners.

   c) **Reform the screening and background check process** for subsidized housing by:

      i) Increasing oversight of the data used in tenant screening;

      ii) Mandating easy-to-understand, widely available guidance on the statute of limitations for data items on eviction filings and any criminal legal history;

iii) Limiting how data can be presented to landlords — for example, by eliminating "black box" risk scores that lack context;

iv) Requiring landlords to inform tenants of any prohibitive data gleaned from screening reports, with enough opportunity to correct or explain the information; and

v) Capping required costs on tenants for screening reports.

d) Proactively **audit lending practices at banks and non-banks** by using test applicants to eradicate widespread discrimination and bias in mortgage lending.

e) Fully fund — and codify, where appropriate — the Department of Housing and Urban Development's efforts to **address bias and mis-valuation in the home appraisal system**, as part of its interagency action plan.

f) Direct a greater supply of **federally held housing toward owner-occupants and mission-driven entities,** rather than large investors — including through "first look" policies, which offer an exclusive period to shop and bid on real-estate owned properties.

4. **With housing at its core, incentivize investment in neighborhood revitalization that creates intentional linkages to neighborhood assets while mitigating displacement of lower-income residents.**

   a) **Expand and replicate programs like HUD's Choice Neighborhood program**, requiring housing transformation plans to foster partnerships that ensure positive outcomes in education, health, safety, and economic opportunity.

   b) **Enact improvements to the housing choice voucher program** — such as increasing the amount on par with rental prices, streamlining housing quality inspections, and providing resources for search assistance, security deposits, and mobility counselors — to make vouchers easier to use in a wide range of neighborhoods.

   c) **Incentivize local governments to institute "tax shock absorber" policies**, such as renter and owner property tax circuit breakers, which cap the taxable amount of select properties in neighborhoods slated for redevelopment, therefore reducing the burden of future tax increases.

   d) Encourage local efforts to **require private investment companies to register with the city and provide oversight, monitoring, and reporting** of the impacts that their development will have on a given community.

Spotlight:
Rental Registries

Rental registries capture the ownership and composition of different rental properties and can encourage fairer and more transparent property management. Cities are increasingly creating rental registries to monitor landlords and their behavior and track eviction filings, excessive fees, and property maintenance records. Such registries now exist in Baltimore, Denver, Louisville, Seattle, Minneapolis, Syracuse, Philadelphia, and other jurisdictions across the country.

Landlords generally register each unit they own and provide their contact information as soon as a renter occupies the space. While not currently standard practice, rental registries should require information on monthly rent, rental increases, and basic lease terms. Other innovative policies include barring landlords from evicting tenants in one- and two-family rental properties that are not on the rental registry — as practiced in both New Jersey and Syracuse.

II. Entrepreneurship

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The notion that anyone can work hard to transform an idea into a successful business lies at the heart of the American Dream. But what is needed to start and sustain a business is not equally available.

Studies show that this inequality hurts not only Black people and communities, but our entire economy. If the Black share of business ownership matched the Black share of the population, 615,000 more enterprises would exist, potentially generating $1 trillion in revenue.

Despite making up 14 percent of the population, Black Americans own just two percent of all employer businesses. Black-owned businesses are more likely to be concentrated in low-growth fields, and Black business ownership, on average, is worth only one-third that of their white counterparts — meaning they earn less revenue and are more vulnerable to an economic shock. All these factors prevent Black entrepreneurs from accessing the full wealth-building potential of business ownership.

These disparities are in no way a reflection of Black Americans' ability to grow successful enterprises — much less their desire and determination to do so.

In business, capital is king. Yet, Black entrepreneurs start their businesses with less than one-third of the capital that their white counterparts do — funding that often comes with higher interest rates and more burdensome requirements. Black credit-seekers are less likely to receive the funding that they request — even when controlling for credit score — and are more likely to be denied loans outright. As a result, Black-owned businesses are often forced to either spend more of their revenue servicing their debt or scale back their business plans — both of which reduce profit margins and hamper their growth. Beyond financial capital, Black entrepreneurs have a tougher time accessing informal networks, expertise, and business services — widely known as the "social capital" that helps businesses flourish.

POLICY RECOMMENDATIONS TO UNLOCK THE POTENTIAL AND POWER OF BLACK ENTREPRENEURSHIP:

1. **Spur the creation and expansion of more flexible and nontraditional funding options at lending institutions,** establishing new and diverse types of small business funding and capital investment that Black entrepreneurs can readily access. The federal government should provide incentives and subsidies to support:
    a) **Greater testing and use of nontraditional credit underwriting models within traditional lending institutions** for typical loan sizes, while still managing risk. Such flexibility could include alternatives to credit scores — such as consistency of past non-credit payments (e.g., utility bills) — as well as transaction data to measure the overall health of businesses to inform loan determinations.
    b) **Greater availability of smaller-dollar loans**, which data shows are more likely to be requested by Black Americans.
    c) **Models such as revenue-based investing, contract financing, "evergreen" community investment funds, and employee ownership**, which can help close the significant gap in the capital marketplace that Black business owners experience.
    d) **Banks' utilization of their Special Purpose Credit Programs (SPCPs) authority to align financing offerings with the needs of underserved entrepreneurs**, which should include additional clarity and guidance on the tax treatment of such models. SPCPs allow lenders to design and implement programs that extend credit to those who would otherwise be denied credit or would receive it on less favorable terms.
    e) **Small-to-medium size banks as they adapt to new regulatory environments and adopt best practices.** Doing so will help sustain small business lending levels in the event of higher cash reserve requirements for lenders.
    f) **Diversifying investment capital — both the asset managers who control it and the founders to which it flows.** Patient capital in equity investments allows businesses to increase capacity, hire workers, and grow without being saddled with debt.

2. **Establish, expand, and strengthen the ability of Community Development Financial Institutions**

(CDFIs) and Minority Depository Institutions (MDIs) to lend to Black-owned small businesses. The federal government should:

a) **Enhance the impact of the Treasury Department's CDFI Fund** by allowing Small and/or Emerging CDFIs to apply for both technical assistance (TA) and financial assistance (FA) in the same cycle.

b) **Provide more funding to the Small and/or Emerging CDFI Assistance program.** Traditionally, SECA-eligible CDFIs must demonstrate matching funds to receive CDFI grants, which is a significant resource drain on smaller and emerging CDFIs, of which many are Black-led.

c) **Encourage the capitalization of local financial institutions** by backstopping "equity-like" investment in CDFIs and MDIs and strengthening investor tax credits.

d) **Provide funds for technological upgrades and new software** to allow CDFIs and MDIs to realistically compete with financial technology companies and help their clients get the credit and customer service experience they deserve.

3. **Fund and conduct outreach to educate Black business owners on crowdfunding opportunities.**

4. **Invest in trusted mentorship programs, business networks, and local entrepreneurial resources** — both nonprofit and governmental — to expand access to the social capital and civic infrastructure that help Black entrepreneurs succeed.

5. **Permit entrepreneurs to make "catch-up" contributions into their retirement accounts** to offset years when they gave up income and savings to start businesses, with the tax deferral applied to the current year in which those contributions are made.

Spotlight:

Making Occupational Licensing Work for Black Entrepreneurs

Overly burdensome, expensive, and time-consuming occupational licensing requirements disproportionately hurt aspiring Black and low-income entrepreneurs. While important to protect consumers, attaining many licensing requirements can be financially and otherwise prohibitive, preventing entrepreneurs from pursuing their dreams of starting a business. Federal, state, and local governments should:

1. **Create monetary incentives for local authorities to streamline licensing** by reducing paperwork and restrictive fees, eliminating unnecessary occupational requirements, and making information about permitting processes easy to find and understand.

2. **Develop interstate and regional compacts** to ensure occupational licenses are transferable to and/or recognized by neighboring states.

3. **Eliminate blanket bans and "good character" clauses** that prevent formerly incarcerated individuals from obtaining licenses, **as well as "debt traps"** that hinder entrepreneurs from renewing a license due to unpaid fines or fees unrelated to their business.

III. Jobs & Workforce Development

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As noted in the opening, median earnings for employed Black men amount to just 67 cents for every dollar a white man makes — a gap that is wider now than in the 1970s — and employed Black women make only 64 cents compared to white men. Racial disparities are not due simply to educational differences or occupational concentration — bias and discrimination continue to play key roles. In fact, the Black-white wage gap persists at every level of educational achievement, but it actually worsens the more schooling a Black person attains. Additionally, the unemployment rate for Black workers is consistently twice as high as it is for white workers.

Beyond income, the jobs in which Black people are employed provide fewer benefits and less stability. Only 43 percent of Black children are covered by private health insurance, compared to 73 percent of white children. Black workers are less likely to have retirement plans through their employers and are overrepresented in jobs that pose a threat to their health. The higher up the career ladder one travels, the less likely you are to see a Black employee, a group that makes up just seven percent of the managerial workforce and one percent of Fortune 500 CEOs. This is in part because the U.S. has dramatically cut investments in the type of skill development and training that could help millions of Black Americans access better paying jobs with better benefits.

The racial inequities in America's labor market don't just hurt Black people; they also stifle innovation and stunt our economy. Citi projected that closing the Black-white pay gap alone over the last 20 years would have generated $2.7 trillion in new economic activity.

POLICY RECOMMENDATIONS TO EXPAND PATHWAYS TO HIGH-QUALITY, GOOD-PAYING JOBS:

1. **Update the federal minimum wage to reflect inflation and, moving forward, peg it to inflation or the prevailing median wage.** The current $7.25/hour non-tipped minimum wage, which hasn't changed since 2009, does not reflect the reality of Americans' lived experience — especially Black Americans, who tend to have fewer financial resources to begin with and are overrepresented in minimum wage jobs.

2. **Research the efficacy of state and local efforts to eliminate the tipped minimum wage**, which has remained unchanged since 1991 and is a vestige of Jim Crow.

3. **Reauthorize and increase funding to programs that fall under the Workforce Innovation and Opportunity Act (WIOA)**, reversing decades of disinvestment. The following reforms would help WIOA adapt to current and future workforce needs:
   a) **Require improvements to career pathways programs**, allocating a higher amount of funding, over longer grant periods, to organizations that help workers navigate the workforce system — prioritizing programs with a proven track record of success in Black communities and that focus on placements in jobs that pay well and/or provide genuine opportunities for career advancement.
   b) **Provide grants and technical support to enable Predominantly Black Institutions (PBIs) and Historically Black Colleges and Universities (HBCUs)** to further expand their workforce development services.
   c) **Expand funding for existing and new well-paying** apprenticeship programs, especially through the American Apprenticeship Initiative, which targets people underserved by traditional apprentice programs. The program led to big gains for employment and pay for Black people, especially Black men. Incorporating lessons learned could lead to big gains for Black women, as well.
   d) Ensure that all competitive grant programs have **proposal review and scoring rubrics** designed to promote equity and inclusion, with **longer terms for grants** to reflect the time needed to truly create impact.

4. Expand federal support to make **post-high school education more affordable** for all by:
   a) Increasing the Pell Grant amount to be **closer to the median cost of attendance at community college.** This is especially important for Black students, who are more likely to take out loans to cover costs of attendance.
   b) Directing **more money toward states that guarantee universal access to community college** for at least two years, prioritizing states committed to leveraging community college attendance to baccalaureate attainment.

5. **Codify the principle of equity** across all federally funded workforce development and apprenticeship programs. Among other agency considerations, the following criteria are key:
    a) The program design plan specifically outlines how **recruitment and program structure will meet the needs of diverse workers**.
    b) Applicants must **demonstrate an understanding of the diversity of its workers** and how those differences can be translated into assets.
    c) The **program prioritizes job quality and sustainability**, for instance, jobs and industries that have established promotional pathways.

6. **Support the expanded use of Skilled Through Alternative Routes** (**STARs**) **for hiring requirements**, starting with the federal workforce. Bringing STARs candidates into the Federal workforce would build on private sector efforts such as OneTen and state-level efforts by governors across the country.

7. **Facilitate the development of a portable benefits system**, independent of one's employer, which would disproportionately help Black workers who are overrepresented in jobs with limited workforce protections and few, if any, benefits, as well as Black entrepreneurs who often have limited options for paid sick, family, and medical leave.

8. Modeled on OSHA, **establish a Department of Labor taskforce** — made up of both industry and labor representatives — to **develop and enforce industry specific job quality standards**, including benchmarks for industry pay and benefits.

Spotlight:
Building an Inclusive and Fair Labor Market

An estimated 44 percent of positions still require a college degree, despite the fact that only 28 percent of Black Americans have one (compared to 42 percent of white Americans). Additionally, workers with experience but no college degree struggle to leverage that experience into higher pay; adjusting for inflation, workers without college degrees currently earn less on average than in 1976. Even among the jobs for which Black Americans without degrees are hired, half are concentrated within just 25 positions, with only one paying above the median wage.

To build a 21st century labor market that works for all Americans, and especially Black Americans, we must value these workers with experience but without degrees from both a development standpoint — ensuring that workers without degrees have equal professional development opportunities to turn entry-level positions into careers — as well as from a monetary one — ensuring that these workers are fairly compensated for the experiences that they do have.

Initiatives like OneTen cultivate networks of employers and talent developers to hire, retain, and advance Black talent who do not have a four-year degree, and foster inclusive company cultures that contribute to their success.

IV. Tax Reform

IV. Tax Reform

The tax code, at its core, funds essential government duties and services — including many of the proposals in this report. Beyond simply raising revenue, however, taxes are a powerful policy tool that sustain our economy. A fairer tax code can reduce poverty, create jobs and opportunity, and protect our collective health.

Unfortunately, American tax policy too often keeps Black, low-income, and other vulnerable communities behind. While we often think about disparate tax impacts solely as a function of economic status, race plays an important factor even though the tax code does not explicitly mention it. Dorothy Brown's groundbreaking research has found that, even when engaging in the same activities, federal tax policy monetarily advantages white Americans over Black Americans across marriage, homeownership, and income.

Many wealthy people have a disproportionate amount of their wealth concentrated in capital assets that are not taxed in the same manner as wage income, and so pay little or no taxes on their capital gains until they sell their assets.

Meanwhile, low-income and Black Americans face payroll taxes that are a higher share of income on average than wealthier and white Americans. Many state and local income and sales taxes are also regressive, meaning they make up a larger percentage of income for low-income Americans than wealthy Americans. Given the country's wealth disparities, the tax code effectively continues to give white families in aggregate a leg up over Black families, thwarting attempts to close the racial wealth gap.

A more balanced tax system can level the economic playing field. Consider the federal Child Tax Credit (CTC), which Congress expanded and made more widely available during the pandemic. The impact of the enhanced CTC was unprecedented: in just one year, it lifted 5.3 million people out of poverty, including 2.9 million children. Overall child poverty fell to its lowest level on record and reduced by more than half among Black children from 2020 to 2021 — in no small part due to the 2021 CTC expansion.

That Congress allowed the pandemic-era expansion of the CTC to expire — without acknowledging its dramatic reduction in hardship — speaks volumes about our tax system.

Making America's tax code fairer and more balanced will not only broaden opportunities available to Black Americans; it will make our communities stronger, our society more cohesive, and our economy more dynamic.

POLICY RECOMMENDATIONS FOR EQUITABLE TAX CODE REFORM:

1. **Enhance, expand, and make fully refundable the federal Child Tax Credit (CTC)**, in line with temporary reforms to the program made during the pandemic. In particular:
   a) **Fix the CTC's design flaw** so that the estimated 19 million children — including 45 percent of Black children — whose parents' income is too low can access the full credit.
   b) Reinstate the CTC's monthly credit payments of up to **$3,600 per child under age 6** and **$3,000 per child between the ages of 6 and 17**, up from current levels of $2,000 per child. The monthly payment model is particularly important for recipients since it makes budgeting easier throughout the year.

2. **Reform the federal Earned Income Tax Credit (EITC)**, one of the nation's most effective anti-poverty programs, by:
   a) **Making permanent the 2021 expansion to low-income younger workers (ages 19-24) and older workers (ages 65 and older) without dependent children**, who would have otherwise been ineligible to claim the credit because of their age. This reform was estimated to help about 594,000 young Black workers without children and older workers.
   b) **Increasing the maximum size of the credit for workers without children to roughly $1,700**, in line with temporary reforms to the program made during the pandemic, adjusted for inflation to 2023.
   c) **Expanding income eligibility to working adults without dependent children** earning up to $24,000 for unmarried filers and $31,000 for married filers.

3. **Reform the treatment of wage income** on par with the treatment of income from other sources (i.e., non-labor income) — of which Black households hold significantly less.

4. **Increase affordability of home ownership and incentivize wealth-building from it** through tax credits and deductions.
   a) **Pilot a refundable first-time homebuyer's tax credit for low- and middle-income taxpayers who have never owned a home before**, with the potential for taxpayers to claim the credit at the time of purchase and transfer it directly to the bank or home seller to help offset closing costs.
   b) **Convert the current home mortgage interest deduction into a refundable credit, with the credit set at a fixed value** so that the value of the benefit does not increase as income rises. Alternatively, the credit could also phase down or out as income increases.
   c) **Allow the sale of primary homes sold at a loss to qualify certain taxpayers (based on income) for a deduction.** Currently, homeowners who sell their primary residence either pay nothing or the capital gains rate from the profits — but cannot deduct in the event of a loss. This seemingly small difference plays an outsized role in Black American life, given that racial bias in the housing appraisal system has devalued homes in majority-Black neighborhoods by an estimated $235 billion.

5. Establish a **two-earner refundable credit to support married couples who make similarly low wages.** Joint filing carries many benefits, but it financially penalizes spouses that do not make drastically different incomes. This is often the case for Black married couples, with research showing that Black couples are less likely to receive a marriage bonus than white couples (36 percent to 43 percent). A refundable, two-earner credit would help offset this imbalance.

6. **Raise the amount allowed for student loan interest deductions.** Research shows that Black Americans are disproportionately burdened by student loan debt, despite also having lower salaries on average compared to their white peers.

7. **Continue to support increased capacity of the Internal Revenue Service (IRS),** to reach the agency's goals, as outlined in its April 2023 Strategic Operating Plan, to:
    a) **Rebuild and strengthen IRS customer service activities, with an emphasis on expanding public outreach efforts by partnering with "trusted messengers,"** such as schools, places of worship, and social service agencies, so that individuals who are eligible for tax credits understand how to access them.
    b) **Institute a standardized, free tax-filing option** for certain eligible taxpayers, building on the lessons learned from the Free File program, which will disproportionately help low-income and Black tax-filers.

8. Ensure that **all advanced tax payments and credits are exempt from garnishment** due to outstanding debts associated with the criminal legal system (at all levels of government), allowing those funds to be used as intended — to assist with everyday living expenses.

Spotlight:
The Tax Code as a Community Development Tool

Where someone lives affects their access and proximity to decent health care, quality education, reliable transportation, healthy food, clean water, and other essential services. Yet Black Americans are vastly more likely to live in low opportunity, distressed, and underinvested neighborhoods. Federal tax policy can help fix this, starting with the **reinstatement of a modernized Community Development Corporation (CDC) tax credit, with increased benefits and funding.**

In recent decades, thousands of nonprofit community development corporations (CDCs) in low-income areas have built significant capacity to undertake community development — in partnership with the private sector and alongside local residents and stakeholders. A renewed and expanded CDC tax credit would help spur even greater neighborhood revitalization and economic development efforts, building on the demonstrated successes of recent programs in the City of Philadelphia and State of Massachusetts.

V. Voting Rights

V. Voting Rights

Voting and civic participation are fundamental to implementing policies, practices, and programs that support Black economic advancement are put into place; this concept was widely understood during the Civil Rights Movement. The landmark Voting Rights Act of 1965, in removing voting restrictions on Black Americans, also significantly reduced the Black-white wage divide.

However, the Supreme Court's 2013 gutting of the Voting Rights Act has eroded Black suffrage. Black voters now experience 45 percent longer wait times on average at the polls than white voters — along with other barriers to voting that include the under-resourcing and reduction of polling places and narrow voting windows. Even when it comes to early voting and vote-by-mail, Black voters are more likely to have their ballots rejected out of hand. From January 2021 to September 2022, 21 states enacted 42 restrictive voting laws and, last year alone, at least 14 states enacted 17 restrictive voting laws — which have led to widespread polling closures, limits on voter registration and early voting, and many other burdensome rules and regulations.

Restrictive voter laws are not simply an affront to democracy; they affect the policy decisions that flow from our democratic system. But when Black voters *are* allowed to freely participate, the result is more equitable policies.

To advance Black work, wages, and wealth — in other words, for our policy recommendations to be successful — Black interests must be represented in the halls of government. That begins with securing this most fundamental American right and ensuring that voting is free, fair, and easy for all.

POLICY RECOMMENDATIONS TO GUARANTEE AND PROTECT BLACK AMERICANS' RIGHT TO VOTE:

1. **Expand voting opportunities prior to Election Day**, ensuring that voters who cannot access the polls in-person on Election Day are not effectively disenfranchised.
    a) Require states to offer **at least two weeks for early voting**.

b) Require states to ensure that early voting locations are within **walking distance of public transportation**, accessible to **rural voters**, and located on **college campuses**.

2. **Counter voter suppression efforts by establishing a national standard that allows for a range of legitimate forms of voter identification** and validation, including electronic copies and alternative forms.

3. **Prohibit the dissemination of known false information and information communicated with the intent to impede voting within 60 days of election.**

4. **Restore federal voting rights to all those formerly incarcerated** upon their release, replacing the patchwork of state laws that exist today.

5. **Limit states' ability to redistrict mid-decade**, set timeframes for drawing maps, and require strong, uniform rules for congressional redistricting. Redistricting plans should:
    a) **Comply with the U.S. Constitution** and/or the **Voting Rights Act of 1965** and its intent.
    b) **Not materially favor or disfavor any political party** when the new map is considered on a statewide basis.

6. **Restore the Voting Rights Act of 1965 by updating and modernizing the formula for preclearance,** such that *any* jurisdiction with a recent history of voter discrimination must seek approval from the Department of Justice or a federal court prior to changing its voting laws or practices.

7. **Strengthen the ability of voters to bring litigation for vote dilution** when practices, such as gerrymandered districts, make it harder for candidates preferred by minority voters to win (i.e., codify the factors articulated in *Thornburg v. Gingles*).

6. **Establish a cause of action in which voters can sue states and localities on a retrogressive basis** when a proposed voting change is more discriminatory against minority voters than the rule it replaces.

Spotlight:
Restoring Voting Rights to Black Americans

Racial disparities and inequities exist at every level of our nation's criminal justice system, leading to a disproportionately high number of Black Americans with a criminal record, especially a felony conviction. In nearly every state, with that felony conviction comes some level of disenfranchisement; in fact, Black adults are 3.5 times more likely to be disenfranchised than non-Black adults.

In response, some states are leading the way in voter restoration policy. Between 2020 and 2022, eight states expanded voting rights to certain people on parole and/or probation, including California, Connecticut, Iowa, New Jersey, New York, North Carolina, Virginia, and Washington. Other states have revised their waiting periods and streamlined the voter restoration process.

Still, state leaders must be mindful that unnecessary barriers to voting are not included in policies that re-enfranchise people with felony convictions. For example, in 2018 Florida voters passed an amendment to the state constitution that would have allowed most people who had completed their sentences to vote; however, a bill passed by the state legislature in 2019 effectively countered the amendment by making vote restoration conditional on full financial repayment of court obligations — which are unrelated to a citizen's supposed unfettered right to vote. Given the pervasive wealth gap, provisions that require Black Americans with felony convictions to essentially pay to vote will disproportionately keep them disenfranchised.