

## The Economic Justice Act

*A proposal from Senate Democrats that invests more than \$435 billion to address systemic racism and historic underinvestment in communities of color.*

In July, Senate Democrats announced a major new legislative proposal to make **immediate and long-term investments in communities of color**. For far too long, Congress has underfunded critical priorities like public health, child care, infrastructure, and job creation in these communities. Our new plan would make a historic federal commitment to communities of color through ten major investments over the next five years. Senate Democrats said this was an important down-payment to answer the calls to address systemic racism and historic underinvestment in communities of color.

The first objective of the proposal is to immediately help communities of color respond to the pandemic through investing over **\$135 billion in child care, mental health and primary care, and jobs**. The second objective of the proposal is building long lasting wealth and health in these communities over the next five years by investing over **\$300 billion for infrastructure, a homeowner down payment tax credit, Medicaid expansion, and more**.

Federal underinvestment in communities of color has created systemic disparities that cross nearly every sector. These communities now bear a disproportionately severe burden of the COVID-19 pandemic and economic recession. But at the same time, Wall Street investors and billionaires continue to rake in profits.

Importantly, this proposal would be in addition to other critical emergency relief items, like those included in the historic House-passed Heroes Act. Other critical, emergency investments – like rental assistance, hazard premium pay, and more – are desperately needed in the short-term to directly deal with the COVID-19 crisis.

Through eleven initiatives, the Senate Democrats’ proposal would begin our efforts to reverse decades of underinvestment in these communities.

<b>IMMEDIATE INVESTMENTS</b>		
Child Care is Essential Program	Invest in and stabilize child care providers in communities, including communities of color. Ensure that working families have access to child care, and early childhood educators continue to get paid throughout the pandemic.	\$50 billion
Expand and Improve Access to Community Health Care	Support community-based behavioral, mental, and primary health care providers and services to increase access to care and incentivize providers to serve in high need areas, including communities of color.	\$40 billion

<p>Federally Supported Jobs, Training and At-Risk Youth Initiatives</p>	<p>Connect workers to in-demand jobs, like new contact tracing and immunization hiring programs and federal job training programs, including adult education and supported jobs programs, training for disconnected youth, registered apprenticeship, and aligned pre-apprenticeship training, and training and wrap-around services provided by community organizations. Create a Pandemic TANF emergency assistance grant program that would provide cash assistance, in-kind support, and subsidized jobs to low-income individuals and families. Invest in the Child Abuse Prevention and Treatment Act and reform child support.</p>	<p>\$28 billion</p>
<p>Capital and Support for Small Businesses</p>	<p>Make investments in community-focused lenders to facilitate more lending to small businesses in communities of color. Permanently authorize and expand programs offered by the MBDA as well as the SBA, including the 7(a) Community Advantage and the PRIME programs. Provide tax incentives for new small businesses.</p>	<p>\$17 billion for Capital + Support \$3 billion PROGRESS Act (2 years)</p>
<p><b>TOTAL</b></p>		<p><b>More than \$135 billion</b></p>

<b>LONG-TERM INVESTMENTS AND POLICY</b>		
Down Payment on Building 21 <sup>st</sup> Century Infrastructure	High-speed Internet, Affordable Housing, K-12 Public School/Library/MSI Construction, and Environmental Justice.	\$50 billion for high-speed internet \$35 billion for affordable housing \$59 billion for school and library infrastructure \$45 billion for clean water and clean air infrastructure, and reduced toxics exposure \$15 billion for healthy transportation
New Homeowner Down Payment Tax Credit	With historically low interest rates for home mortgages, provide \$15,000 per family to expand access to homeownership.	\$40 billion
Renters and Low Income Housing Tax Credits	Reduce rent and utilities to 30% of income for low-income individuals and families and build new low-income rental properties.	\$25 billion over 5 years (rent) + \$5 billion (LIHTC)
Expand Medicaid Coverage	Incent Medicaid expansion in non-expansion states.	\$15 billion
Address Maternal Mortality and Health	Expand comprehensive Medicaid coverage to all pregnant individuals for one-year postpartum; fund grant programs to implement maternal safety standards; improve access to midwife and doula services; and more.	\$15 billion
10-20-30 Anti-Poverty Initiative and Local Hiring Opportunities	Require a greater share of federal community and economic development funding go to communities with "persistent" and high poverty rates and create opportunities in federally-funded infrastructure projects for local hiring in communities of color and contracts for disadvantaged businesses.	No cost policy changes.
Raising the Minimum Wage and Strengthening Overtime Rights	Gradually increase the federal minimum wage to \$15 by 2025; repeal the subminimum wages for tipped workers, youth workers, and workers with disabilities; strengthen overtime rights by setting the salary threshold at the 40 <sup>th</sup> percentile of wages in the lowest wage census region.	No cost policy changes.
<b>TOTAL</b>		<b>More than \$300 billion</b>