

NATIONAL
CAPACD

POLICY PLATFORM

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2021-2024

LUNCH
mobile workshop
OAKLAND
CHINATOWN
w/ APAL





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I. INTRODUCTION – THE CURRENT CRISES

We are at an unprecedented time of reckoning.

We are in the midst of a housing crisis, a health crisis, an economic crisis, and a crisis of conscience with centuries of racial injustice once again coming to the fore.

In the midst of these overlapping crises, it is also a time of opportunity. This pandemic has exposed the gaps in our society, it has exploited our vulnerabilities. In doing so, it has brought into stark relief what we need to fix — what we need to do to build a better, more just country.

This document lays out our vision and values for our national policy advocacy agenda over the next few years. In the context of National CAPACD’s core issues — housing; healthy, thriving neighborhoods; economic opportunity; and serving low-income Asian Americans, Native Hawaiians, and Pacific Islanders (AAPIs), this document presents what we prioritize to build a better, more just country.

The Pandemic and Its Economic Impact

The full human and economic toll of the COVID-19 pandemic is not yet known. There are over 14 million confirmed cases, over 270,000 dead from the virus, and many millions of people who have become unemployed. At this point, we know that the costs will be deep and the impact will be long lasting. We also know that the virus has exploited our country's social and economic vulnerabilities. It disproportionately affects people who are elderly or with pre-existing health conditions. It disproportionately impacts people who are homeless or marginally housed, people who live in overcrowded conditions, people of color, immigrants and refugees, indigenous people, low-wage workers, people with disabilities, and disproportionate numbers of women across all vulnerable categories... It has exacerbated existing societal gaps and inequities.

As of August 2020, there are over 1.2 million AAPIs in poverty living in the top 30 coronavirus hotspots. There are over 1.3 million AAPI-owned small businesses and over 1.5 million AAPI seniors in these coronavirus hotspots. A significant proportion (approximately 1/3) of all AAPIs living in coronavirus hotspots are Limited English Proficient (LEP). On top of all this, the pandemic has triggered a rise in [anti-Asian violence](#).

During the pandemic, we must take specific targeted action to make sure that *all* vulnerable populations have accurate and accessible information and the resources they need to survive. For vulnerable AAPIs, this especially means that information must be available in multiple languages and that outreach for programming should happen in partnership with trusted, local community institutions. Given the rampant, fraudulent actors that often prey upon our communities, a strong focus on enforcement against predatory actors also will be critical.

After the pandemic, recovery from the human and economic impact of the coronavirus will be long and difficult — our efforts will likely need to be sustained years after the pandemic is over. Our challenge will be to re-imagine and rebuild a more just society — not simply a return to the status quo.

The Enduring Crisis of Violent Racism

Before the coronavirus pandemic, before the current instantiation of the housing crisis, our country was infected with racism. Racism is embedded in all of our institutions, ingrained in our systems, thriving within our culture. Its boundaries are enforced with violence.

The current flare up of state-sponsored, anti-black, racist violence is not a new crisis. It is centuries old. But it is still a crisis. It is still very much a crisis of our current time.

The murders of George Floyd and Breonna Taylor — in the midst of a pandemic — were horrific and traumatic, a visceral reminder for the entire country of how deeply embedded violent racism remains.

The public response to the murders of George Floyd and Breonna Taylor, however, have opened a window of opportunity for a massive, collective movement to shift our country's priorities (including how we use public resources) from violent, systemic enforcement of racist norms to more humane, proactive, and community-based modes of problem solving.

For AAPI communities, the challenge is to unlearn our own anti-blackness and our own internalized racism. We will still need to advocate for ourselves. AND we must do so in a way that is explicitly supportive of broader struggles for racial justice. We must do a better job of situating our needs and defining the policies we advocate in this context.

Our Policy Platform

National CAPACD uses our policy platforms to inform our federal policy advocacy work over the subsequent four years after the platform is ratified by our member organizations. Given the unique and unprecedented challenges of the current crises and their affect on the rapidly shifting federal policy environment, we have included in this iteration of the Policy Platform statements of our values with each set of recommendations for each of our major issue areas. These values — as much as the specific recommendations — will equip us to be responsive to the policy environment as we see it over the next few years.

II. HOUSING



Our Values and Vision

Housing is a basic human right, not a privilege.

From our founding, advocating for all people's right to access quality, affordable housing has been one of our core issues.

Affordable, safe, stable, and physically accessible housing is the cornerstone of each individual's health and economic well-being. Therefore, all people must have an affordable, safe, stable, and physically accessible home in the community of their choice.

Towards this vision, we believe our country must:

- Provide safe, affordable, quality, stable, accessible housing for all;
- Ensure equitable access to housing and protect people against housing discrimination;
- Protect the rights of people to stay in their housing.

Crisis Response

Prior to the onset of the pandemic, low-income AAPIs were already at particular risk of losing their housing, already increasingly squeezed by rising housing costs. The layering of the pandemic upon the housing crisis means that we need increased attention to tenants' rights and tenants' protections (e.g., eviction moratoria) and resources (e.g., rental support) to protect people's increasingly tenuous housing situations. We also need increased housing counseling, rent and mortgage forgiveness programs for homeowners and renters who have lost work during the pandemic, federal stimulus funding to support families' broadband and utilities, and direct support for nonprofit affordable housing owners to mitigate their loss of rental income and their increased expenses (e.g., increased cleaning costs, increased hazard pay for frontline workers) during the pandemic. Any and all federal housing support should have accountability measures to assure that disproportionately impacted communities of color – including AAPIs – receive an equitable share of resources.

In addition, the economic crisis sparked by the pandemic will likely lead to new waves of foreclosures. And, unlike the foreclosures at the heart of the last recession, the coming wave will likely be much more widespread – with defaults across a variety of commercial and multi-family residential properties. Addressing this coming wave of foreclosures is a tremendous opportunity to increase community-based ownership of facilities and commercial properties and to preserve “naturally occurring affordable housing” via community or nonprofit ownership.

Beyond the Pandemic

Post-pandemic, we can not simply return to business as usual.

- We will need tens of billions of additional annual federal investment over the next several years to develop new affordable housing and to preserve existing affordable housing.
- We will need new federal leadership to protect tenants' rights and to make local housing and development policies more equitable.
- We will need a new commitment to make housing and homeownership more accessible to more Americans.

Under each of these broader policy goals, specific examples of the types of policies that we will advocate for are as follows:

Make Quality, Sustainable Housing Affordable to All

Making a dent in our current housing crisis will require a variety of federal investments of many billions of dollars per year, over a sustained number of years. Examples include:

- **Increase Funding for Existing HUD Affordable Housing and Block Grant Programs:** Invest an additional \$10+ billion per year spread out over a variety of HUD capital programs for supporting the development and preservation of affordable housing, including HOME, CDBG, Homeless Assistance Grants, Section 202, and Section 811.
- **Fully Fund the Housing Trust Fund:** Capitalize the Housing Trust Fund to at least \$20 Billion and create robust, viable ongoing funding for the HTF.
- **Increase Rental Assistance:** Fully fund rental assistance programs (e.g., Section 8) – both individual vouchers and project-based – such that rental assistance is sufficient to assure that no low-income family pays more than 30% of their income on rent (sufficient rental assistance to reach an additional estimated 17 million families). In order to make these additional resources more usable to more households, HUD should universally require the use of Small Area FMRs and establish a national Source of Income regulation.
- **Create a Renter's Tax Credit:** We support a renter's tax credit for low-income renters (defined as a rental household that has an income of less than 80% AMI) who pay more than 30% of their income in rent and utilities.
- **Make Existing Affordable Housing More Green and Sustainable:** Invest the estimated \$100 billion in capital improvements needed over the next 10 years to retrofit and upgrade existing public housing stock to be more green and financially sustainable. Create an additional fund such that privately held, subsidized affordable housing can likewise be upgraded to be more energy efficient and more sustainable.
- **Expand the Low-Income Housing Tax Credit:** Increase the LIHTC allocation by \$10 Billion., with the following provisos: (1) there should be a 50% basis boost for projects that target +20% units towards ELI households; (2) LIHTC supported projects should provide as close to permanent/lifetime affordability as legally possible; (3) the LIHTC program is explicitly classified as 'federal financial assistance' for the purposes of Title VI of the Civil Rights Act and other civil rights statutes; (4) lower the Private Activity Bond threshold for 4% Tax Credits.

- **Support CDFIs:** Dedicate additional CDFI funding for the acquisition of properties for affordable housing development, with priority given to the purchase and preservation of existing affordable housing. This additional CDFI funding should be prioritized to CDFIs that have an established track record of serving communities of color, an explicit mission of serving communities of color, and deep relationships with organizations based in and led by communities of color, including AAPI community-based organizations.
- **Repeal the Faircloth Amendment:** We need more units of affordable housing, and restrictive caps on the new production of affordable housing, including public housing, should be lifted. Repealing the Faircloth Amendment would allow HUD to support local jurisdictions to increase the net numbers of public housing units.
- **Make Housing Affordable Regardless of Immigration Status:** As part of the value that housing is a basic right for all, programs and policies that make housing affordable should be open to all who live in this country, regardless of immigration status. Punitive policies such as the Mixed Status and Public Charge rules should be rescinded.

Establish National Baselines for Tenant's Rights and Local Development Policies

Tenants' rights and local development policies are generally locally defined and locally enforced. This leads to a patchwork of protections that are inconsistent and often insufficient. To protect low-income tenants from being arbitrarily displaced (often to make way for new, luxury development) we recommend that the Federal government take leadership to establish a national floor for tenants' rights and equitable development policies. Federal policy should make HUD and other block grant funding (e.g., Transportation and Health block grants) conditional upon the following:

- **Create a Baseline Set of Tenants' Rights:** This baseline should include just cause eviction, a right to lease renewal, a right to counsel for low-income tenants facing eviction, a right of first refusal to purchase, and protections for tenants' rights to organize. In addition, the feasibility of a national rent cap/rent control measure should be explored.
- **Establish Federal Inclusionary Zoning:** Jurisdictions receiving federal block grants should establish minimum requirements for affordable housing in all new housing developments. In the case of federally funded transit projects and in order to promote equitable transit-oriented development, inclusionary zones should be established along transit lines and around transit stations. These inclusionary zones should have minimum percentages of units for affordable housing and include a mix of income targeting to ELI and VLI, not just to LMI households. Requirements for other community benefits for low-income people can also be considered. In addition, the feasibility of national baseline regulations for short-term rentals should be explored.
- **Eliminate Exclusionary Zoning:** Jurisdictions should complete Affirmatively Furthering Fair Housing plans, reduce the types of zoning that lead to segregation, and enact other land use policies that incentivize the equitable distribution of affordable housing (e.g., density bonuses, reduced parking requirements, etc.).

Renew the Commitment to Make Housing and Homeownership More Accessible

Federal policy needs to renew the commitment that housing is a basic right and therefore accessible to all. With this general commitment to fair housing, federal policy should also increase homeownership for people who have been historically excluded from owning a home. Examples of such federal policies include:

- ***Repeal Policies that Increase Housing Exclusion and Restore Policies that Promote Inclusion:*** We will advocate for the removal of exclusionary policies such as HUD's Mixed Status Rule and the application of Public Charge to housing assistance. Similarly, Affirmatively Furthering Fair Housing should be restored and strengthened. The HUD Equal Access rule must be returned to its 2015 inclusion of protections for transgender people. HUD's implementation of the Fair Housing Act's Disparate Impact Standard should not be watered down.
- ***Clarify Accountability under Fair Housing and Fair Lending Laws:*** The CFPB, OCC, Federal Reserve, FDIC, and HUD must fully enforce fair housing and fair lending laws. Further, GSEs, FHFA, and the Treasury Department should be explicitly subject to the Fair Housing Act provision to affirmatively further fair housing.
- ***Increase Resources for Housing Counseling:*** The current allocation for HUD Housing Counseling should be drastically increased (e.g. increased by at least \$150 million annually). Additional resources for translation and outreach should be set-aside for language- and culturally competent organizations that serve immigrant and LEP communities, including AAPI communities.
- ***Help Families Buy their First Homes:*** For qualified, low- and middle income families buying their first home, there should be federal down payment assistance in the form of an advanceable tax credit. In addition, there should be a variety of support (e.g., counseling, additional grants and subsidies) for first-time homebuyers of color such that rates of homeownership between whites and communities of color, controlling for age and income, are equalized within 10 years.
- ***Increase the Viability of Shared Equity and Community Ownership Models:*** HUD should set aside funding within its existing programs to provide planning grants and capital to incentivize the creation of affordable housing (both rental and homeownership) through land trusts and other shared equity and community ownership models.
- ***Implement GSE Reform:*** GSEs should be required to expend no less than 30% of their previous year's annual net income in grants or investments to promote the development and preservation of affordable housing for underserved communities. These investments can be in the form of grants (to nonprofit housing developers, affordable housing intermediaries, housing counselors, fair housing or tenants' rights advocates), purchase of LIHTCs, or in the purchase of debt-based securities for publically subsidized and covenanted affordable housing. Further, GSEs should insert fair housing protections into the eligibility criteria for all affordable housing-related instruments that they purchase, including LIHTC, State HFAs, and any mortgage-backed securities.

III. HEALTHY, THRIVING NEIGHBORHOODS



Our Values and Vision

We believe that, in order to achieve true social and economic justice, all communities and neighborhoods must have the resources and opportunities they need to engage and thrive. The following shared values of healthy and thriving communities are necessary to achieve this vision:

Access: We believe that everyone should have equitable access to affordable housing, public spaces, institutions, and resources, regardless of language spoken, ability, gender identity, race, or religion. Neighborhoods should include equitable transit investments, jobs, and adequate financial institutions.

Community: We believe in the preservation of culturally significant neighborhoods from displacement or gentrification. We believe that there should be robust equitable investment in physical and social infrastructure to serve all communities.

Health: We believe that health includes not only affordable healthcare and community support for all, but also safe homes, parks, open or green spaces, and clean air and water.

Opportunity: We believe that everyone should have equal opportunities, which includes access to fair financial products and financial institutions, as well as equitable investments in our neighborhoods.

Expression: We believe that arts and culture are critical components of healthy neighborhoods. We stand with community leaders who and public policies that protect gender, religious, or cultural expression.

Safety: We believe that everybody should live in a safe neighborhood. We believe that public safety also includes reduced immigration restrictions, an end to racial and religious profiling, as well as an end to police violence and hate crimes that target people of color, immigrants, Muslims, and LGBTQ communities.

Autonomy: We believe in local autonomy over the planning process and that community members should have control over shaping their neighborhoods. We believe in self-determination for Native Hawaiians, Pacific Islanders, Native Americans, and all indigenous people through independent control of local land and resources.

We seek to enact this vision of social and economic justice through working with community-based member organizations to ensure that low-income AAPIs have the information, resources, and power necessary to shape their neighborhoods and communities in ways that are consistent with our values and vision.

Crisis Response

In the wake of the recent spate of police killings of black people, protesters have called into question the role and function of the police.

As funding for service programs for low-income people have decreased, [police budgets have increased](#).

In most places across this country, the police are the frontline response to issues of homelessness, mental illness, domestic abuse, etc. In many cases, the police are the only response. There is no reason why an armed, militaristic response is needed in any of these instances. Instead of promoting community safety in low-income neighborhoods and in communities of color, police have been responsible for escalating tension and violence.

Resources that are allocated towards policing would be more effectively and equitably applied towards community-based solutions — increased social services, education, community programs, recreation, arts and culture, etc. — the types of investments that make for healthy, thriving communities.

In order for communities to become safer (and therefore to be healthier and to better thrive), we support calls to reduce funding of enforcement and policing and redirect resources towards solutions that communities identify and enact. Federal policies can support and incentivize these transitions.

Beyond the Pandemic

Economic recovery will require rebuilding and expanding our nation's infrastructure — including transit, roads, bridges, water systems, the energy grid. Post-pandemic, economic rebuilding should make our infrastructure more green and sustainable, as well as more equitable. In order to maximize community benefits for low-income and vulnerable communities, we recommend the following:

- Any comprehensive infrastructure package should include long term capital investments (e.g., community facilities like clinics, senior centers, childcare centers, cultural and community space, parks and recreation, etc.) in low-income communities that are planned and directed by community members.
- Investments in communities should include resources for inclusive and accessible (including language access) community empowerment, community planning, and community-based place-making strategies. Low-income people should have the power and support necessary to define their own vision for their communities.
- New infrastructure should not promote displacement of existing communities. Instead, a comprehensive infrastructure package should include a variety of associated policies that prevent displacement in our communities.
- Likewise, programs, regulations, and incentives intended to promote development (such as Opportunity Zones) or that bring new infrastructure to our neighborhoods should be planned and implemented with baseline, enforceable thresholds for community benefits.

Under each of these broader policy goals, specific examples of the types of policies that we will advocate for are as follows:

Invest in Community Facilities

Community-based organizations and institutions are the backbone of healthy, thriving communities. These anchor institutions should have permanent homes from which to provide services and to support and empower their communities. Federal policies should support the development of such community-based infrastructure through the following:

- **Invest in Community Facilities:** Increase annual funding for nonprofit organizations to own and develop community facilities across a variety of capital programs (e.g., OCS CED, CDBG) by an additional \$1 billion per year.
- **Increase the NMTC Allocation:** Expand the New Markets Tax Credit to provide an additional \$5 billion in annual tax credits.
- **Provide Technical Assistance for Grassroots Nonprofits to Own and Operate Community Facilities:** Set aside funding within the above allocations such that smaller community-based nonprofit organizations can receive technical assistance on the owning, administration, and operation of community facilities.

Empower Low-income Communities to Lead Community Planning

Local, low-income residents should be supported in their efforts to determine the future of their communities and to lead in community planning efforts in determining land use and in determining the allocation of community development and community services resources. Federal policy should establish requirements for community engagement and community-led planning per the following:

- **Require Community Process and Planning for all Federal Block Grants:** All federal block grant funding for housing, community development, transportation, and health and human services should be conditioned upon completion of community-based and community-led (i.e., local, community-based nonprofit organizations lead the process) plans that comprehensively address housing, health, community safety, environmental sustainability, arts, culture, and economic development in the community.
- **Strengthen Existing Community Engagement Processes:** For block grants where community engagement and planning is currently required (e.g., the Consolidated Planning process for HUD CPD block grants), the processes should be strengthened and supported by separately allocated resources for community-based organizations to lead the planning processes, including resources to provide outreach and language access for LEP communities. These plans should identify minimum community benefit requirements for any federally subsidized capital projects to be located in the community.
- **Increase Accountability and Enforcement of Community-based Plans:** Jurisdictions should not just go through the motions of creating plans that they have no intent of following. There should be specific mechanisms for community-based residents and stakeholders to enforce adherence to their plans, including clawbacks of federal funding used for subsidies and potential punitive measures for jurisdictions shown to have acted in bad faith or are repeat offenders. Additional accountability measures should include regularized data analysis to test

that programs are promoting the intended community benefits and not causing displacement or other problems and creation of a community “ombudsman” at each CPD Field Office (i.e., someone whose role is to be accessible to communities in holding jurisdictions accountable to their Con Plans).

- **All New Federally Funded Capital Projects Must Comply with these Plans:** Federally subsidized transit, infrastructure, housing, and commercial and industrial development all must comply with the community plans as described above.

Create National Anti-Displacement Policies and Programs

Prior to the pandemic, rising housing prices were driving low-income tenants out of their homes. In the diverse, urban neighborhoods where the majority of low-income AAPIs live, rising rents not only affected residential tenants but also small businesses and community institutions (e.g., nonprofits, churches, community and cultural facilities). On top of this, new, market-driven development was overwhelming the character and context of our neighborhoods. Once the economy has recovered, it is likely that gentrification will once again threaten our communities. During this pause, federal policies should empower people to define their own communities and establish simple, accessible tools for low-income people, small businesses, and community institutions to stay in our communities. Examples are as follows:

- **Create a Housing Flip Tax:** As a disincentive for rampant real estate speculation, non-owner occupied housing that is sold within five years of purchase should pay an additional fee. These revenues should go towards future affordable housing development.
- **End Tax Subsidies for Predatory Real Estate Speculators:** In addition to the flip tax above, we advocate for the end to all federal tax incentives (such as the deferral of capital gains taxes through investment in Opportunity Zones) and other support for predatory real estate speculators who are buying up homes and properties in our communities.
- **Set Aside Resources to Provide Technical Assistance to Micro-Entrepreneurs in Hot Markets:** In low-income neighborhoods where commercial rents are rapidly increasing, Federal business assistance and counseling programs (e.g., SBA PRIME) should set aside funding to help micro entrepreneurs with business planning, negotiating with their landlord, forming business improvement districts, etc.
- **Establish a Baseline Set of Tenants’ Rights:** As discussed above in the Housing plank of this platform, there should be federal leadership to establish baseline tenants’ rights to just cause eviction, right to counsel, and right to organize. While applicable to all tenants, these baseline rights will especially be useful to tenants in gentrifying neighborhoods. And as specific protections against displacement, these baseline rights should include a right-to-return.
- **Support Creative “Place Keeping:”** Increase funding for the NEA’s Creative Placemaking programming and set aside funding within Creative Placemaking to incorporate artists and cultural workers in grassroots efforts to define and protect a community from displacement. Additionally, federal inclusionary zoning policies should include anti-displacement overlays for cultural districts.
- **Set Aside Resources for Nonprofit, Community-based Organizations to Stay in their Communities:** Across a variety of federal programs for community facilities (e.g., CDFI, NMTC, CDBG, OCS)

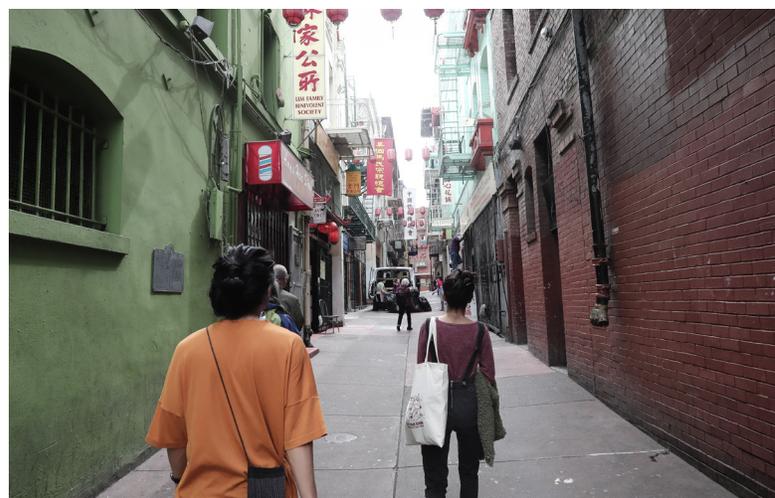
funding should be set aside for nonprofit organizations in hot markets to purchase permanent offices and community space in the communities which they serve.

- **Explore Creative and Alternative Approaches to Preserving Small Businesses:** Federal small business assistance programs should pilot creative alternatives to sustaining small businesses such as commercial land trusts and worker-owned cooperatives.

Improve Existing Policies to Mandate Community Benefit

There are regulations and policies that were created with the stated purpose to create community benefit to low- and middle-income (LMI) communities. In order for these regulatory systems to live up to their promises, they need to be tightened or updated. Examples include:

- **Update and Improve the Community Reinvestment Act:** The CRA needs to be updated to cover the broader range of financial entities that exist now and the CRA needs to be tightened to better define the types of projects and programs that provide actual, direct benefit to LMI communities and to disincentive the types of investments that promote displacement in LMI communities.
- **Reform Opportunity Zones:** As they exist currently, Opportunity Zones are a non-transparent subsidy for gentrification. Information about the projects subsidized through Opportunity Zones should be more readily available, and the regulatory criteria for such investments should be explicit and specific about the types of baseline community benefits that will be provided by projects supported by Opportunity Zones. For example, any residential project should have an established minimum percentage of affordable housing; any commercial project should have below-market rent space reserved for nonprofit or micro-enterprise use; any industrial project should require local hiring of low-income residents. The current statute does not require a single affordable home to be saved or built or a single low-income resident to obtain any job.
- **Redefine Area Median Income for High Income Metro Areas:** The definition of Area Median Income (AMI) underlies the legal determination of who benefits from not only affordable housing programs but also for broader community development regulatory systems (such as the CRA). In regions where the economy is booming and AMI is high (for e.g., the 2019 base AMI in the San Francisco Bay Area is \$136,800), much “affordable” housing is severely unaffordable for even households with 2 fulltime wage earners if both such workers are not white collar. Community development programs end up targeting segments of the population that are not the originally intended beneficiaries. Therefore, there needs to be an alternative calculation of LMI in high income regions (e.g., use a percentage of national median income for the base calculation). With input from community stakeholders, HUD should create new guidelines for determining income targeting in high AMI metro regions, with an emphasis on deeper income targeting. These guidelines should be applied across all Federal housing and community development programs and regulatory systems.



IV. ECONOMIC OPPORTUNITY



Our Values and Vision

Wealth and income inequality have reached unacceptable levels in this country. People should not have to choose between feeding their family or keeping their homes. To address this dire economic inequity, Federal policy should support low-income people to have tangible and accessible opportunities to build wealth. This includes policies and programs such as job creation, job training, labor protections, access to capital for low-income people, financial capabilities coaching, equitable tax policies, childcare, access to public transit, etc. Of these broad array of policies and programs, National CAPACD focuses on financial and tax reform, programmatic support for financial capabilities and economic empowerment, and programmatic support for community-serving small businesses and micro-enterprises.

Crisis Response

In a time of extreme economic crisis where there has been massive job losses due to circumstances beyond any one person's control, workers, students, and small businesses will need a broad and comprehensive variety of income support, supportive service and technical assistance, debt forgiveness, and protection from predatory lending and abusive debt collection practices. In the design and implementation of these programs, we strongly recommend that priority be given to lower-income people (whether workers, seniors, students, unemployed, etc.) and to micro-businesses (firms with 10 employees or less) – i.e., that priority be given to classes of people and firms that were already the most vulnerable.

Beyond the Pandemic

Moving forward, National CAPACD will advocate for policies and programs that advance economic opportunity for all through the following:

- Expand economic opportunity for low-income people through Comprehensive Financial Reform.
- Make the Tax Code more equitable.
- Support community-serving Small Businesses, especially entrepreneurs of color and micro-businesses.
- Investments for Financial Capabilities and Economic Empowerment programming targeted towards low-income communities of color and Limited English Proficient communities.

Under each of these broader policy goals, specific examples of the types of policies that we will advocate for are as follows:

Expand Economic Opportunity through Financial Reform:

Ongoing financial regulatory reform includes many good opportunities to incorporate policies and incentives which increase the economic well-being of low-income people and communities. Likewise, consumer financial protections should be strengthened, especially as related to the needs of low-income people. Examples include:

- **Modernize the CRA:** Any CRA modernization should be true to the original intent of the CRA: to provide resources to underinvested, low-income communities that are to the direct benefit of low- and middle-income people living in such communities. In addition, any CRA reform should include an analysis of race, gender, and language access.
- **Strengthen the CFPB:** The Consumer Financial Protection Bureau (CFPB) should be protected and strengthened. For example, the full power of the Office of Fair Lending and Equal Opportunity should be restored. And, as another example, the CFPB should be empowered to address the ways in which the credit reporting system contributes to economic disparities along racial lines.
- **Restore the “Disparate Impact” Standard:** Financial institutions should be held accountable for discriminatory lending practices. In bringing such cases, the burden of proof should not be about the intent of the institution, but about the impact of their actions.
- **Regulate Lending Practices to Make Financial Markets more Equitable and Accessible for Low-Income Consumers:** We recommend a variety of financial reforms to protect low-income consumers, including a federal rate cap on all small dollar loans, restoring the FDIC’s guidance on small dollar lending, and prohibitions against “rent-a-bank” high-cost predatory lending.

Make the Tax Code More Equitable:

Tax policy can be an important tool to increase financial security and economic opportunity for low-income people. National CAPACD supports policies which reform the tax system through increasing taxes for those best able to pay and increasing access to programs that directly benefit low-income people, including the following:

- **Roll Back the Tax Cuts and Jobs Act of 2017:** Revisit the regressive tax policies enacted by Congress a few years ago and make our overall tax system less weighted towards low- and middle-income taxpayers.
- **Increase Tax Credits that Benefit Low-Income People:** Increase programs and incentives that directly benefit low-income people such as the Earned Income Tax Credit, Child Tax Credits, and Dependent Care Tax Credits.
- **Increase Funding for VITA:** Increase funding for the Volunteer Income Tax Assistance program with emphasis on partnering with community-based nonprofit organizations.

Support Community-serving Small Businesses:

According to [National CAPACD research](#), entrepreneurship is the primary source of income and serves as a ladder for economic opportunity for many low-income immigrant and refugee AAPIs. That is, small business ownership – micro-entrepreneurship, especially – is an employment and anti-poverty strategy for many AAPIs. Furthermore, as an essential part of a healthy, thriving neighborhood, small businesses are often the anchor of AAPI neighborhoods. They provide goods and services not available elsewhere. Restaurants, corner stores, salons and barber shops, etc. are beloved community gathering points. Federal programs providing technical assistance and resources to micro-entrepreneurs in language and via culturally competent organizations are key to supporting economic opportunity in AAPI communities. In this context, we advocate for the following:

- ***Increase Funding for Technical Assistance for Micro-Entrepreneurs:*** Increase funding available for technical assistance for micro-entrepreneurs (e.g., the Small Business Administration’s PRIME program) and assure that AAPI and other communities-of-color-serving CBOs receive an equitable share of funding. We should not end up in a situation as happened with the 2020 CARES Act, where the vast majority of small businesses TA resources flowed to Small Business Development Centers which collectively have a track record of serving less than 28% “minority” businesses.
- ***Expand Grants and Subsidized Lending for Micro-Entrepreneurs:*** Increase the funds available through the SBA’s Microloan program. Expand the use of CDFIs as vehicles to reach small businesses in low-income communities and communities of color. Expand direct assistance grants to minority-owned micro businesses, especially during the recovery period post-pandemic.
- ***Disaggregate Small Business Lending Data:*** Small business lending data should be disaggregated by race, ethnicity, age, and gender parallel to HMDA data collection with improvements including the expansion of the number of racial subgroups tracked and collecting data on borrowers’ English proficiency and preferred language.

Expand and Coordinate Investments in Job Creation and Job Training:

As we recover from the pandemic, we will need substantial federal investments to rebuild our economy. These increased investments will likely include shoring up our healthcare systems and expanding and improving our infrastructure, especially in terms of green, sustainable infrastructure (e.g. clean energy systems, transit). It is important that low-income communities – particularly those impacted by the pandemic – have full access to the jobs created by these federal investments. This means investing in the following:

- ***Prioritize Impacted Communities within Targeted Growth Industries:*** Post-pandemic, in the sectors of our economy that are targeted for recovery and growth (e.g., healthcare, green infrastructure, affordable housing), public policy should ensure that these industries employ people from the communities that have been most impacted by the pandemic. That is, jobs created should be prioritized for people of color, immigrants, and women. Public investments in targeted industries should include resources, technical assistance, and policy guidance for racial equity and inclusion. And, the jobs created should be livable, sustainable careers.

- **Provide Comprehensive Job Training and Supportive Services for Impacted Communities:** In targeted industries, there must be expanded federal support for job training programs that include comprehensive training *and* supportive services for people as they complete the programs and search for a job placement (e.g., childcare, job development). These job training programs should be industry-specific, connected to local employers, and provide outreach and services in multiple languages and in a culturally competent manner.

Provide Programmatic Support for Financial Capabilities and Economic Empowerment:

Low-income people face unnecessary barriers to accessing mainstream financial services and asset building opportunities. As a result, many low-income AAPIs turn to check cashing services, payday lenders, and other fringe and predatory lending services that systematically drain wealth from low-income communities. In addition to strengthening consumer financial protections, National CAPACD supports the following:

- **Expand Federal Financial Capabilities Programming:** For example, there should be expanded programming and increased Federal funding for programs such as Individual Development Accounts – that assist low-income families to build assets. In all programs which partner with or subgrant to nonprofit organizations for the delivery of services, preference should be given to CBOs with linguistic and cultural competency that reflect local needs.
- **Increase Funding for Outreach and Education:** In order to provide more materials and to conduct outreach in more languages, there should be more resources dedicated to translation for information about public benefits, consumer financial protections, financial literacy, and financial empowerment coaching.
- **Now is the Time to Be Bold:** The Federal government should explore bold, innovative ways to close the racial wealth gap. Possible programs could include a baby bond/opportunity account, universal basic income, and reparations for African Americans

V. SERVING LOW-INCOME AAPIs



Our Values and Vision

AAPIs are a diverse and underserved set of communities. Our communities include over 100 languages/dialects spoken and over 50 ethnic groups. Our communities include recent immigrants, refugees, the descendants of immigrants and refugees, and descendants of people who were here long before Europeans set foot on this hemisphere (i.e., Native Hawaiians). With varying educational backgrounds, cultural practices, and huge differences in wealth and poverty, the “AAPI experience” is not singular and is difficult to categorize. And yet, there continues to be a persistent mythology of the economic success of all AAPIs, despite the fact that AAPI communities have significant poverty populations as well as high income individuals. In fact, AAPIs have the [highest income inequality of any major racial or ethnic group](#) and have had the [fastest growing population of people in poverty of any major racial or ethnic group](#). Policy makers need to better understand the full range of AAPI experiences, and Federal programs need to be more accessible to a broader range of low-income AAPIs.

Crisis Response

Any and all programs to respond to the pandemic (from health programs to small business support to rental assistance) MUST be made available in multiple languages and outreach should be contracted through trusted community-based institutions, such as local, community-based nonprofit organizations.

Further, it is imperative that community institutions – such as community-based nonprofit organizations – survive the economic impact of the pandemic. Special attention and resources should be made available to ensure that the nonprofit organizations – large and small, new and old – that have the language and cultural capacity to serve AAPIs are not lost. If these organizations are not around to serve their communities, it is likely that no one else will.

Beyond the Pandemic

Ongoing, we recommend the following for federal policies and programs to best serve low-income AAPIs:

- Enact language and culture best practices.
- Enact data best practices.
- Build the capacity of community-based organizations with linguistic and cultural competency.
- Reform immigration policies to be more equitable and humane.
- Target tailored resources towards Native Hawaiians.

Under each of these broader policy goals, specific examples of the types of policies that we will advocate for are as follows:

Enact Language and Culture Best Practices:

According to the 2018 American Community Survey, there are approximately 5.6 million AAPIs, age 5 years and older, who are Limited English Proficient (LEP), or roughly 1/3 of the population of this age group. This is the highest percentage of LEP speakers of any major racial or ethnic group. Similarly, AAPIs have the highest percentage of foreign born persons of any major racial or ethnic group. This means that, for full and fair participation of AAPIs in Federal programs, outreach and programming need to be available in a variety of AAPI languages and delivered in ways that are accessible and culturally appropriate per the following:

- **Translate, Translate, Translate:** All Federal agencies with public-facing programming should require such programming to be available in multiple languages. At a minimum, all Federal programming should meet the Department of Health and Human Services standard where materials are translated whenever a program's constituent base has more than 1,000 speakers of a language or when such speakers make up more than 5% of the service population. Alternatively (i.e., whichever standard results in more languages translated), there should be translations for the top 10 languages spoken by LEP communities, with an additional 2 based upon regional data.
- **Partner with Culturally Competent CBOs:** Whenever possible and appropriate, use local community-based organizations as partners or intermediaries for outreach, program intake, and service delivery. In addition to language skills, AAPI CBOs have cultural knowledge and community connections to be able to reach more people within their communities. In addition, CBOs should be compensated to review and give feedback on agency translated materials.

Enact Data Best Practices:

AAPIs are a diverse population where aggregate data across the category is often misleading. Because many metrics show that AAPIs are doing well, the widespread assumption is that *all* AAPIs are doing well. But when the data is disaggregated, a different picture emerges. Therefore, building upon progress made in financial regulatory reform (such as Section 1071 of Dodd-Frank and Regulation C of HMDA), we recommend the following:

- **Disaggregate Data:** All publicly available Federally-produced data should be disaggregated by race, by AAPI ethnic groups, by language spoken, income, and geography.
- **Oversample to Acquire Data on Small Populations:** In areas with identifiable concentrations of specific communities that may have small numbers on a national scale (e.g., there are large numbers of Bhutanese in the Atlanta metropolitan area), agencies should “oversample” in these places in order to get nationally statistically significant data about these smaller populations and to ensure that these communities are better understood and seen.
- **Consult with CBOs:** Community-based nonprofit organizations should be consulted with and made partners in the design and collection of data about their communities.

Build the Capacity of Community-based Organizations:

AAPI CBOs know their communities and have the relationships and language and cultural competencies to best deliver services to their communities. However, many CBOs, especially in communities where needs are growing the fastest, lack the resources and infrastructure to deliver the outcomes that they otherwise would be able to do. Therefore, in order to reach the true diversity of the AAPI community, Federal agencies need to make broad and deep investments into the capacity of local AAPI CBOs. Per the following, these investments should include basic organizational development as well as specific programmatic, technical capacities:

- **Provide Programmatic TA AND Basic Capacity Building:** Any Federal program that provides technical assistance to nonprofit organization subgrantees to fulfill the technical administration of the program should also include resources for capacity building on topics of basic organizational development, including in the maintenance of financial systems, HR systems and practices, organizational management, leadership development, and strategic planning. Even if an organization can fulfill the technical requirements of a specific program at a given point in time, their continued ability to sustain such performance is dependent on their overall organizational stability and development.
- **Invest in Key, Underserved Communities:** AAPI communities which have had a greater proportion of population growth in recent years (i.e., have a higher percentage of more recent arrivals, whether as immigrants, refugees, or via treaty migration) tend to have higher rates of economic need and fewer established community-serving institutions. These communities need basic investment in their social sector infrastructure via their emerging community-based organizations. These emergent CBOs need initial operating support and capacity building.
- **Prioritize Peer-to-Peer Learning:** Peer-to-peer learning is an effective and preferred mode of knowledge transmission for many AAPI CBOs. The key is that peer mentor organizations need to be adequately compensated for their time and expertise. Federal TA and capacity building programming should prioritize funding for peer-to-peer models of delivery.



Reform Immigration Policies to be More Equitable and Humane:

In recent years, anti-immigrant animus and hate-driven policy-making has made life more difficult for immigrants and refugees. Because AAPIs have the highest percentage of foreign-born people of any racial or ethnic group, immigration policy has a direct impact on the health and well-being of our communities. And, beyond the fate of our communities, these hateful policies have degraded this nation's social fabric and diminished our standing in the world. Therefore, while immigration has not traditionally been one of our core issues, we have been increasingly active within the immigrant policy space. Examples of issues include:

- **Rescind All Recent, Anti-Immigrant Executive Orders and Administrative Rulemaking:** For example, we oppose the Public Charge and Mixed Status rules.
- **End the Cruel and Inhumane Treatment of Immigrants, Asylum Seekers, and Refugees:** We advocate for the end of criminalization and deportation of Southeast Asian refugees. We oppose the ongoing harassment, exclusion, and deportation of South Asians, Muslims, Sikhs, and Arabs. Similarly, we oppose the inhumane treatment of immigrants and asylum seekers at our southern border, including but not limited to the practice of family separation.
- **Comprehensively Reform our Entire Immigration System:** Using the spirit and framework of successful, smaller scale immigration reforms like DACA, we urge a comprehensive reform of our entire immigration system, including the immigration enforcement system. We dream of an immigration system that values the contribution of a wide diversity of immigrants and creates more pathways for more people to be recognized for their contributions.

Target Tailored Resources towards Native Hawaiians:

As part of broader movements for redress and justice for indigenous peoples, the Federal Government should allocate resources specifically targeting Native Hawaiians. Policies and principles include:

- **Create Both Set-Asides AND New Programming:** Similar to the creation of the HUD Hawaiian Housing Block Grants, a broader and more comprehensive range of community development and service delivery programs should be designed around the needs of Native Hawaiians. These programs can be created as set-asides within existing programs or as separate, new programming.
- **Partner with Community-Based Organizations:** Federal agencies should work with the Native Hawaiian community and with Native Hawaiian community-based organizations to design expanded programming that delivers resources and services to Native Hawaiians.

