

A Policy Blueprint to Advance Economic Justice in Multnomah County

DISCUSSION GUIDE

Department of County Human Services
Multnomah Idea Lab

January 2023

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*This report was prepared by Kristina Smock Consulting for the Multnomah Idea Lab.
Graphic design by Aura Aragon-Ball.*

Executive Summary

This Discussion Guide was developed by the Economic Justice Project to kick-start a process to build a shared vision for incorporating a commitment to economic justice into the County's programs, policies, and practices. It is designed to provide the basis for a collaborative community design process to develop a blueprint for economic justice in Multnomah County.

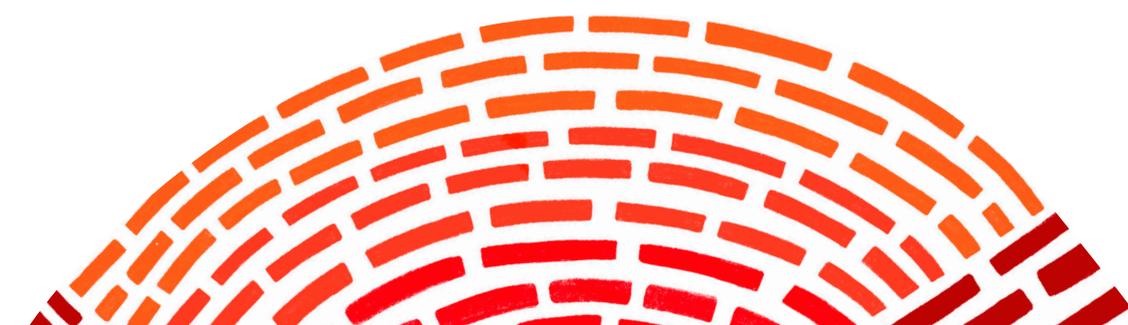
Centuries of racist and unjust policies and practices rooted in white supremacy have created stark inequalities that impede Black, Indigenous, and People of Color (BIPOC) from achieving financial security and generational wealth. Multnomah County has a strong track record of investment in services that address the consequences of racial economic disparities, but far less investment in strategies that have the potential to overcome the disparities.

As the County works to create a more equitable and just community in the aftermath of the pandemic, it must take bold action to advance upstream interventions that will build long-term financial security and generational wealth for BIPOC residents.

This Discussion Guide was developed by the Economic Justice Project (EJP) to kick-start a process to build a shared vision for incorporating a commitment to economic justice into the County's programs, policies, and practices. It is designed to provide the basis for a collaborative community design process to develop a blueprint for economic justice in Multnomah County.

What is economic justice?

Economic justice is long-term and ongoing work to reform policies, systems, and practices to eliminate racial disparities in income and wealth so that everyone can prosper. It acknowledges the role of government in contributing to these disparities and its moral obligation to create systemic solutions that reduce and repair these harms. It centers the voices and lived experiences of BIPOC communities with the goal of dismantling barriers to economic prosperity and generational wealth for BIPOC communities.



Foundational principles

Multnomah County's blueprint for economic justice must focus on strategies that:

- **Advance the goal of building generational wealth for BIPOC communities.**
- **Acknowledge the County's role in contributing to historic and present-day racial economic disparities and County government's potential to serve as an instrument of repair.**
- **Center the leadership, voices, and lived experiences of BIPOC communities.**
- **Guarantee everyone a reasonable standard of living as a fundamental human right.**
- **Go beyond business as usual with policies and investments at a scale and scope that will create long-term, systemic change.**

Potential approaches

This Discussion Guide provides a menu of potential approaches for advancing economic justice in Multnomah County based on a review of national research and promising practices. This includes:

1. **Strategies that build assets**, such as Baby Bonds, support for BIPOC homeownership and business ownership, and strategies that expand BIPOC access to capital and credit.
2. **Strategies that support income security**, such as guaranteed income, tax credits, wage subsidies for essential workers, and living wage requirements for government employees and contractors.
3. **Strategies that repair past harms** to Black and Indigenous communities by local jurisdictions, such as formal commissions and truth and reconciliation processes.
4. **Strategies that eliminate barriers to wealth-building**, such as debt mitigation, fines and fees reform, protection from involuntary displacement, and addressing barriers for people with a history of involvement in the criminal justice system.





Proposed strategies

Drawing upon the menu of potential approaches, the Discussion Guide puts forward an initial package of four proposed strategies that offer a starting point for developing an economic justice blueprint for Multnomah County:

1. **Pair Multnomah County’s Preschool for All program with Baby Bonds** targeted at BIPOC participants to provide seed funding for building generational wealth.
2. **Incorporate a Guaranteed Basic Income into all County programs** and services to ensure that every county resident is able to meet the needs of daily life.
3. **Establish a formal Reparative Justice Commission** led by the county’s Black and Indigenous communities and provide an up-front commitment of resources to fund its recommendations.
4. **Reform extractive and wealth-stripping policies and practices** that create barriers to generational wealth-building in BIPOC communities.

Next steps

Over the upcoming months, the ideas in the Discussion Guide will be vetted and refined by County leaders and community partners to identify priorities for further exploration. During the 2023-24 fiscal year, the EJP will engage in additional research and partnership-building to assess the feasibility of implementing the ideas that emerge from this collaborative process. In addition, the EJP will support interested programs within the County’s current systems of care to implement strategies for integrating an economic justice lens into their services. These efforts will inform collaborative work with the Board of County Commissioners to develop a package of proposed strategies and investments for the 2024-25 fiscal year and beyond.

Introduction

As the County rebuilds its economy in the aftermath of the pandemic, it must prioritize upstream interventions that will build long-term economic security and prosperity for the populations most impacted by historic inequities.

Multnomah County’s Black, Indigenous, and People of Color (BIPOC)¹ experience significant economic disparities rooted in structural racism and white supremacy culture. These disparities, which have been highlighted and exacerbated by the pandemic, create barriers to BIPOC communities’ ability to achieve economic prosperity and build generational wealth.

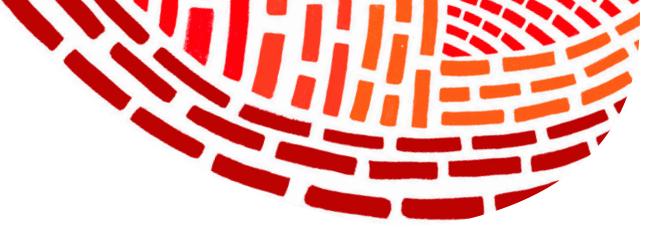
Multnomah County has made historic levels of investments in programs and interventions to meet residents’ fundamental needs, but these investments do not address the underlying issues at the root of the disparities.

As the County rebuilds its economy in the aftermath of the pandemic, it must prioritize upstream interventions that will build long-term economic security and prosperity for the populations most impacted by historic inequities. Now is the time for bold action that builds on the investments and lessons from the past three years to move the County toward a more equitable future.

The Economic Justice Project (EJP) aims to identify innovative and comprehensive approaches that will promote long-term, systemic change by repairing harms, removing barriers, and centering racial justice and equity.

As the first step in this work, this Discussion Guide provides an overview of economic disparities in Multnomah County, maps current County investments to address economic inequality, provides a framework for advancing economic justice in Multnomah County, and identifies potential strategies for future County action and investment.

Over the upcoming months, the EJP will engage County leaders and community partners in a collaborative process to discuss and refine the ideas in this guide with the goal of developing a shared vision for infusing a commitment to economic justice into the County’s programs, policies, and practices.



Economic Justice is long-term and ongoing work to reform policies, systems, and practices to eliminate racial disparities in income and wealth so that everyone can prosper. It acknowledges the role of government in contributing to these disparities and its moral obligation to create systemic solutions that reduce and repair these harms. It centers the voices and lived experiences of BIPOC communities with the goal of dismantling barriers to economic prosperity and generational wealth for BIPOC communities.

An Economic Justice Blueprint for Multnomah County

The wide gaps in income and wealth between BIPOC communities and Whites in Multnomah County are the result of centuries of racist structures, systems, and practices rooted in white supremacy. Achieving genuine economic equity will ultimately require the dismantling of those systems through a process of Economic Transformation. Economic Transformation disrupts and subverts the dominant institutions, structures, and systems shaped by capitalism, colonialism, and white supremacy. It is led by – and centered in the vision and power of – the communities most impacted by systemic economic injustice.²

Multnomah County government should acknowledge the need for radical structural change and support the movement for Economic Transformation led by BIPOC communities. But as a government, Multnomah County cannot lead or drive this work. This Discussion Guide focuses on the role of government in addressing economic inequality through a commitment to Economic Justice.

Economic Justice is long-term and ongoing work to reform policies, systems, and practices to eliminate racial disparities in income and wealth so that everyone can prosper. It acknowledges the role of government in contributing to these disparities and its moral obligation to create systemic solutions that reduce and repair these harms. It centers the voices and lived experiences of BIPOC communities with the goal of dismantling barriers to economic prosperity and generational wealth for BIPOC communities.

Economic justice strategies are characterized by distinct approaches. They are based on the premise, similar to targeted universalism, that everybody should be guaranteed a reasonable standard of living as a fundamental human right while centering BIPOC communities. They use trust-based approaches that are BIPOC-led and controlled. And they go beyond everyday programs or services, aiming at a scale and scope that will achieve systemic, long-term change.

Economic Disparities in Multnomah County

National data consistently demonstrate the stark racial disparities in income and wealth that result from centuries of racist and unjust policies, systems, and practices that have undermined the economic stability of BIPOC communities over generations.

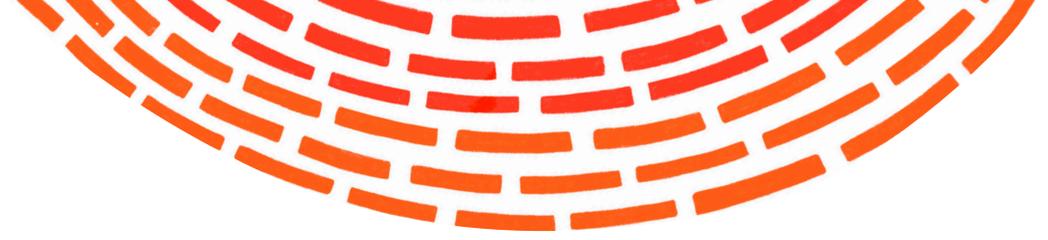
Income and wealth are both essential to creating pathways for economic security and prosperity. A steady source of adequate income enables a household to meet its basic needs for housing, food, transportation, and other necessities. Access to wealth (e.g. savings and assets) creates a foundation for long-term financial security while providing the means for economic advancement. Wealth can be transferred from generation to generation while providing a financial safety net that protects households against unanticipated losses in income due to financial emergencies.³

National data consistently demonstrate the stark racial disparities in income and wealth that result from centuries of racist and unjust policies, systems, and practices that have undermined the economic stability of BIPOC communities over generations.⁴ The U.S. economic system is rooted in white supremacy culture and based on the exploitation of BIPOC communities. This ongoing legacy of structural and systemic oppression has excluded BIPOC communities from opportunities to build assets or gain financial stability.⁵

The Coalition of Communities of Color’s recent report, *Addressing the Racial Wealth Gap*, provides a comprehensive analysis of national and state-level data on the causes and consequences of the racial wealth gap in Oregon.⁶ The Oregon Center for Public Policy’s *Data for the People* project provides state-level data on indicators of income and economic inequality disaggregated by race.⁷

Data for Multnomah County echo these state and national patterns. BIPOC communities in Multnomah County have higher rates of poverty, lower median incomes, fewer assets, and less access to wealth than their White counterparts. Limited data are available at the county level disaggregated by race. This section offers a snapshot of racial disparities in income and wealth in Multnomah County based on the available data.





Racial disparities in median income ⁸

The median income for White households in Multnomah County is almost **1.4 times** the median income for BIPOC households.

	Median Income ⁹
BIPOC ¹⁰	\$ 60,443
White Non-Hispanic	\$ 82,321
American Indian, Alaska Native or Indigenous	\$ 56,406
Asian	\$ 76,588
Black or African American	\$ 45,090
Hispanic or Latine	\$ 56,444
Native Hawaiian or Pacific Islander	\$ 69,082
Some other race	\$ 57,342
Two or more races	\$ 62,148

Racial disparities in poverty

The poverty rate for BIPOC households in Multnomah County is almost **two times** the poverty rate for White households.

	Living in Poverty ¹¹
BIPOC	19 %
White Non-Hispanic	10 %
American Indian, Alaska Native or Indigenous	22 %
Asian	14 %
Black or African American	27 %
Hispanic or Latine	19 %
Native Hawaiian or Pacific Islander	28 %
Some other race	20 %
Two or more races	16 %

This section relies on federal data sources that combine populations with diverse identities into single categories, such as Asian and Latine, that obscure the variations within each category. These categories mask the distinct experiences of Multnomah County’s immigrant and refugee populations, who face significant economic barriers that contribute to disproportionately high levels of poverty and financial insecurity.

Racial disparities in savings ¹²

The percentage of BIPOC households in Multnomah County without enough savings to cover basic expenses for three months is **more than two times** the percentage of White households.

Liquid Asset Poverty	
BIPOC	47 %
White Non-Hispanic	22 %
American Indian, Alaska Native or Indigenous	40 %
Asian	29 %
Black or African American	58 %
Hispanic or Latine	56 %
Native Hawaiian or Pacific Islander ¹³	-

Racial disparities in assets

The percentage of BIPOC households in Multnomah County that have zero net worth is **1.5 times** the percentage of White households.

Zero Net Worth ¹⁴	
BIPOC	22 %
White Non-Hispanic	15 %
American Indian, Alaska Native or Indigenous	22 %
Asian	10 %
Black or African American	38 %
Hispanic or Latine	22 %
Native Hawaiian or Pacific Islander ¹⁵	-

Racial disparities in homeownership

The homeownership rate for White households in Multnomah County is almost **1.5 times** the BIPOC homeownership rate.

Homeownership ¹⁶	
BIPOC	41 %
White Non-Hispanic	59 %
American Indian, Alaska Native or Indigenous	39 %
Asian	59 %
Black or African American	28 %
Hispanic or Latine	36 %
Native Hawaiian or Pacific Islander	27 %

Gender-based economic disparities

Multnomah County’s racial economic disparities are compounded by gender-based economic disparities. For example:

- The median income of single mothers with children in Multnomah County is less than half the median income for all families with children.
- The percentage of families with single mothers living in poverty is more than 2.5 times the percentage of all families living in poverty.

Multnomah County's Current Investments

Multnomah County 2022-23 Budget Analysis

The County's current budget is heavily weighted toward Economic Survival and Economic Stability, with total investments of \$189 million and \$159 million in those categories, respectively. The County's investments in Economic Mobility total \$86 million. The County's current budget does not include any program offers that meet the EJP's definition and criteria for Economic Justice.

An analysis of Multnomah County's 2022-23 budget shows a strong commitment to addressing the consequences of economic disparities but far less investment in strategies that have the potential to overcome the disparities. The County's investments can be roughly grouped into three categories:

- **Economic Mobility** investments equip people to move out of poverty and improve their economic situation by providing pathways to increased earning potential.
- **Economic Stability** investments assist people with limited incomes to maintain their ability to meet their household's needs.
- **Economic Survival** investments provide direct services such as food and shelter for people whose lack of economic resources makes it impossible to meet their human survival needs.

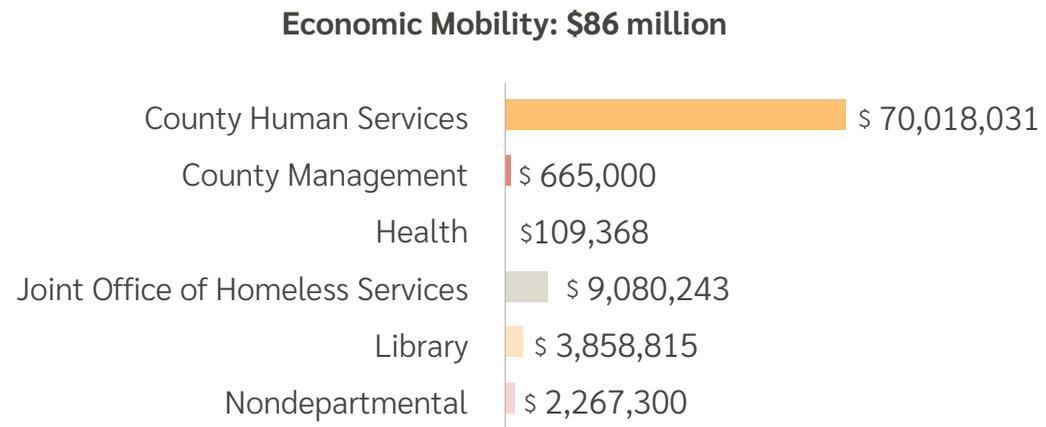


Changing the landscape of inequality in Multnomah County will require additional investments in strategies to dismantle the systemic barriers that create racial economic disparities.

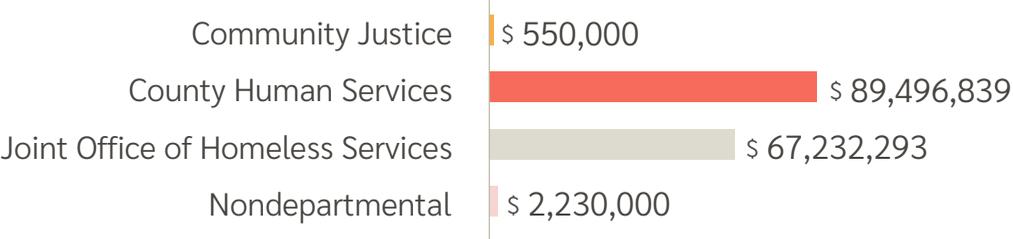
The County’s investments in Economic Survival and Economic Stability will continue to be essential in upcoming budget cycles given the current level of need, but these interventions address the downstream impacts of unequal structures and systems. Changing the landscape of inequality in Multnomah County will require additional investments in strategies to dismantle the systemic barriers that create racial economic disparities. Dedicating new resources toward upstream Economic Justice strategies now will reduce the need over time for continued high-level investments in downstream interventions to support Economic Survival and Economic Stability.

Budget Analysis by Department

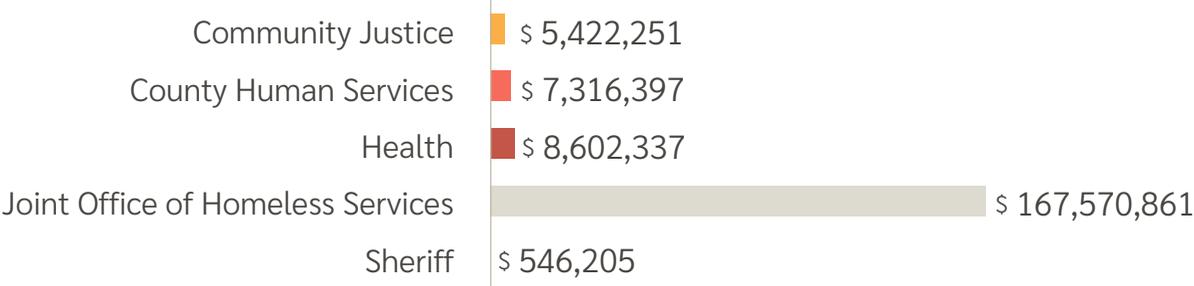
The County’s investments in Economic Survival, Economic Stability, and Economic Mobility include program offers from across multiple County departments. These charts show the 2022-23 budget analysis broken out by County department. See Appendix A for a complete listing of the program offers in each category.



Economic Stability: \$159 million



Economic Survival: \$189 million



A significant portion of these investments use American Rescue Plan (ARP) funding which will not be available in future budget cycles. The ARP-funded portion of the Economic Survival investments is \$35 million cycles, the ARP-funded portion of the Economic Stability investments is \$65 million, and the ARP-funded portion of the Economic Mobility investments is \$1.5 million. As the County struggles to replace these resources, it will need to grapple with the challenge of addressing current needs while moving toward greater levels of investment in upstream interventions over time.

A Framework for Advancing Economic Justice in Multnomah County

Addressing Multnomah County’s racial economic inequality will require a paradigm shift. While it is vitally important to invest in services and programs that protect county residents from the immediate consequences of economic disparities, the County must also commit to investing in strategies to transform the underlying systems that create these disparities.

Multnomah County’s framework for advancing economic justice must address the historic and systemic exclusion of BIPOC communities from achieving economic prosperity and building generational wealth.

Foundational Principles:

The County’s economic justice blueprint should focus on strategies that:

- Advance the goal of building generational wealth for BIPOC communities.
- Reform policies, systems, and practices to support long-term institutional change.
- Acknowledge the County’s role in contributing to historic and present-day racial economic disparities and County government’s potential to serve as an instrument of repair.
- Focus on and center BIPOC communities.
- Guarantee everyone a reasonable standard of living as a fundamental human right.
- Go beyond business as usual with policies and investments at a scale and scope that will make a measurable impact on the racial wealth gap in Multnomah County.
- Leverage all of County government’s roles, not just as a funder of programs and services but as a policy maker, employer, contractor, advocate, convener, and investor.

Implementation Guidelines:

How the County implements its economic justice blueprint should be guided by these core values:

- Ground the work in the voices and lived experiences of the communities most impacted by economic injustice.
- Fund BIPOC-led community-based organizations to lead implementation and give the organizations the decision-making power and flexibility to determine what their communities need.
- Support BIPOC community leadership, capacity building, and control as a prerequisite to achieving long-term systemic change.
- Frame all strategies within a gender justice lens to address the intersectionality of economic disparities.
- Disrupt dominant racist narratives that blame financial instability on poor individual choices and instead trust participants’ agency and expertise.
- Incorporate a commitment to the goals and principles of economic justice throughout the County’s budget and policymaking.

Menu of Potential Approaches

Advancing economic justice will require a comprehensive set of strategies that address both the causes and consequences of racial economic disparities.

The EJP conducted a broad review of national research and promising practices to identify a menu of potential approaches aligned with the Foundational Principles and the core goal of building generational wealth for BIPOC communities. While achieving economic justice will require changes at the local, state, and federal levels, this menu focuses specifically on interventions that can be implemented at the county level.

The EJP used this menu as a starting point for identifying a potential package of proposals for Multnomah County that are summarized in the next section of the Discussion Guide.

The menu is organized into four categories:

-  1. Strategies that build assets
-  2. Strategies that build income
-  3. Strategies that repair past harms by local jurisdictions
-  4. Strategies that eliminate barriers to wealth-building



1. Strategies that build assets

Assets are critical for creating economic security, protecting against income disruptions and financial emergencies, and building intergenerational wealth. BIPOC communities have consistently been blocked from opportunities to amass assets due to racist and exclusionary policies and practices.

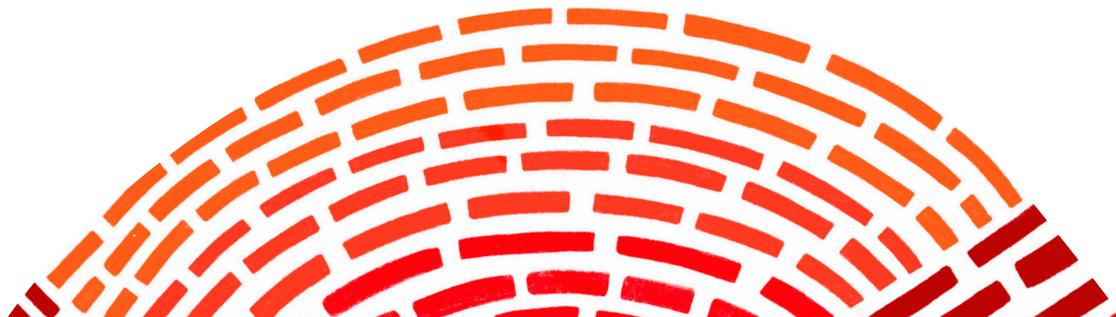
Strategies for building the assets of BIPOC communities include:

- **Baby Bonds:** Baby Bonds provide an initial deposit into a bond or savings account that accrues interest over time to provide a significant asset when a child turns 18. Studies show that Baby Bonds can reduce racial wealth inequality for young adults, offering a counterbalance to intergenerational wealth transfers that perpetuate the racial wealth gap.¹⁷ Baby Bonds have been proposed at a national level, most prominently during the 2020 presidential election, but several local governments across the country have also implemented their own versions.
- **Homeownership:** Homeownership is a key vehicle for building assets and financial security. BIPOC households have had limited access to the benefits of homeownership due to decades of racist practices such as redlining, disparities in mortgage credit, denial of prime loans, and racially biased home valuations. Strategies to support BIPOC homeownership include access to down payment assistance grants and low-interest mortgages, foreclosure prevention, and programs that build equity for renters.¹⁸
- **Business ownership:** Significant disparities exist in BIPOC business ownership rates as well as the monetary value and longevity of BIPOC-owned businesses. These disparities are rooted in discriminatory practices that limit BIPOC business owners' access to capital and credit.¹⁹ Strategies to support BIPOC business ownership include providing technical assistance and low-interest loans, expanded access to government contracting opportunities, financial support to business start-ups, and culturally specific business incubators.²⁰



1. Strategies that build assets

Access to capital and credit: Historic patterns of bank and mortgage redlining combined with disparities in income and wealth have created systemic barriers for BIPOC communities to access mainstream financial resources. Strategies to expand BIPOC access to financial products that support asset building include matched savings programs, individual development accounts, the development of alternatives to commercial banking such as public banks and community lending circles, and regulation of discriminatory banking practices.²¹





2. Strategies that build income

Income allows a household to meet its basic needs for housing, food, transportation, and other essentials. Without a steady source of adequate income, it is impossible to achieve the financial security necessary for building generational wealth.

BIPOC households experience disproportionately high rates of financial insecurity due to centuries of exclusion from economic opportunities.

Strategies that support income security for BIPOC communities include:

- **Guaranteed income:** Guaranteed income programs provide recurring cash payments with no strings attached, establishing an income floor that enables people to meet their basic needs. Unlike safety net programs that have cumbersome eligibility processes and restrictive uses, providing unconditional cash assists families quickly, with limited bureaucracy. Guaranteed income programs trust that people are the experts in what they need and can make the best choices for their families' unique situations.²²
- **Tax credits:** Federal and state tax credits such as the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC) are effective tools for reducing poverty and increasing financial security.²³ Local strategies that leverage tax credits to increase families' economic security include creating a local EITC that expands the impact of the state EITC, ensuring all eligible households receive the state and federal tax credits for which they are eligible, and advocating for a state CTC to expand the impact of the federal credit.²⁴
- **Wages:** BIPOC workers are over-represented in low-paid jobs, often in essential occupations such as child care and social services.²⁵ Boosting wages for these workers can help to stabilize the workforce while simultaneously enabling households to meet their basic needs. Local governments can support wage equity by directly subsidizing the pay checks of essential workers and by requiring living wages for government employees and contractors.²⁶



3. Strategies that repair past harms by local jurisdictions

Restitution for the financial harms stemming from the deepest roots of present-day economic injustice – the forced displacement and theft of land from Indigenous people and the enslavement of Blacks – needs to happen at a federal level.²⁷ But local governments should also acknowledge and make amends for their role in contributing to historic and present-day harms that impede generational wealth-building.

Strategies to repair past harms by local jurisdictions can take several forms, including:

- **Formal commission:** Local jurisdictions can create commissions led by the communities who experienced the harms, with the local government providing logistical support and an up-front commitment of resources to fund the commission’s recommendations. This approach provides a platform for local governments to support a community-led process to define the harms the government has caused and invest in community-defined priorities to make restitution for the harms.²⁸
- **Truth and reconciliation process:** Local governments can support restorative justice and community healing through a formal truth and reconciliation process. The truth-telling phase of the process focuses on gathering testimony and documenting the harm imposed by government in the words of the communities who experienced the harm. The reconciliation phase involves a formal public acknowledgment and apology for the harm along with a framework for action grounded in the findings of the truth-telling process.²⁹



4. Strategies that eliminate barriers to wealth-building

BIPOC communities are disproportionately impacted by predatory and extractive practices that reduce incomes and drain assets. Any effort to build generational wealth will have limited impact unless it is accompanied by strategies to address these wealth-stripping barriers.

Approaches to eliminate barriers to wealth-building include:

- **Debt mitigation:** Disparities in generational wealth and income contribute to higher rates of debt among BIPOC populations.³⁰ Lack of access to savings and credit forces many BIPOC households to rely on high-interest payday loans and vehicle title loans which have interest rates that can lock borrowers into a cycle of predatory debt. Strategies to mitigate BIPOC debt include predatory lending regulations, access to lower-cost lending alternatives such as employer-sponsored small-dollar loan programs, debt forgiveness, and access to consumer-friendly financing options.³¹
- **Fines and fees reform:** Municipal fines and fees place a disproportionate burden on BIPOC residents, imposing costs and penalties which can put their financial security at risk. Reforms that address the inequitable impacts of local fines and fees include: (a) basing fines and fees on ability to pay, (b) offering nonmonetary alternatives to payment like community service, (c) eliminating fines and fees entirely when they cause significant financial hardship disproportionate to the intended benefit, (d) removing late fines and fees, and (e) eliminating harmful penalties for inability to pay.³²
- **Protection from displacement:** Involuntary displacement creates barriers to economic security and pushes households into neighborhoods with poorer access to jobs, services, and amenities. Strategies to mitigate displacement include support for shared equity ownership models such as community land trusts and limited equity cooperatives, laws that give renters at risk of displacement the right to purchase their homes combined with affordable financing tools, and laws that give nonprofits the right to purchase apartments before they are put on the market to prevent displacement of existing residents.³³



4. Strategies that eliminate barriers to wealth-building

■ **Address barriers for people with a history of involvement with the criminal justice system:** BIPOC communities are disproportionately likely to have criminal justice system involvement due to historic and current-day racist structures and systems.³⁴ People with a history of involvement with the criminal justice system are frequently denied housing and employment, and they are often pushed into debt paying fines and fees related to court costs and the conditions of probation. Strategies to address these barriers include advancing legislation to make justice-involved individuals a protected class, supporting record expungement, and prohibiting the use of criminal background as a basis for denying employment or housing.³⁵

For illustrative examples of how the approaches in the menu are being implemented at a local level, see Appendix B.

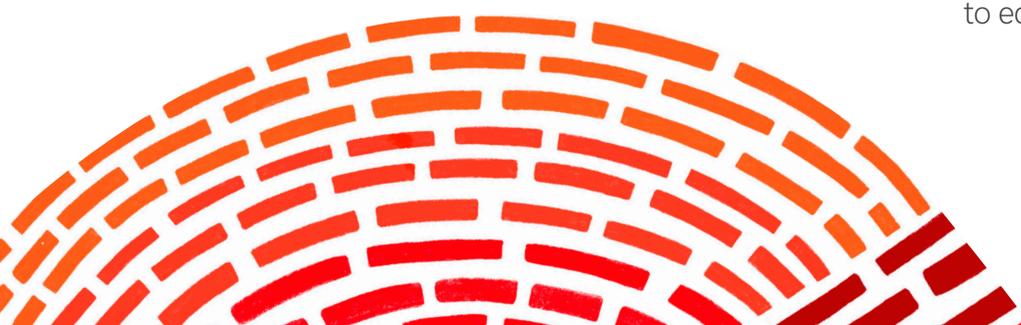
Proposed Strategies to Advance Economic Justice in Multnomah County

The Economic Justice Project analyzed the menu of potential approaches to create an initial package of proposals to advance economic justice in Multnomah County.

The Economic Justice Project analyzed the menu of potential approaches to create an initial package of proposals to advance economic justice in Multnomah County. The development of the proposed strategies was guided by the following criteria:

- Focus on strategies that are aligned with the County’s role, areas of jurisdiction, and the levers it can directly control.
- Develop a set of approaches that will have the greatest potential impact on building generational wealth for Multnomah County’s BIPOC communities.
- Identify opportunities to leverage and scale up existing County programs and investments.
- Develop solutions that include changes to programs, policies, and practices with the potential for long-term systemic impacts.
- Create a cohesive package of complementary proposals that offer a holistic, multi-pronged approach.

Over the upcoming months, these proposals will be discussed, vetted, and refined through a collaborative process of dialogue and feedback with County leaders and community partners to develop a shared vision for incorporating a commitment to economic justice into the County’s policies and investments.





PROPOSAL 1

Multnomah County Preschool for All Baby Bonds

Multnomah County’s Preschool for All program provides a pivotal investment in the future of the county’s children, with a particular focus on BIPOC children and children experiencing poverty. The County could amplify the impact of Preschool for All by pairing it with Baby Bonds.

Under a Multnomah County Preschool for All Baby Bonds program, the County would place an initial deposit into a trust for eligible Preschool for All participants, providing a guaranteed asset that would be available to participants when they turn 18. **By targeting the Baby Bonds specifically to BIPOC Preschool for All participants, the program would provide the seed funding for wealth-building that BIPOC children have been denied by centuries of racist policies.**³⁶

Additional analysis is needed to determine how best to design Multnomah County’s Baby Bonds to most effectively narrow the county’s racial wealth gap. **Baby Bonds provide an initial deposit into a bond or savings account for children that accrues interest over time, but the size of the deposit and other program features vary.** Some models provide a one-time deposit while others include annual contributions, often paired with a smaller initial investment. Some models guarantee a minimum rate of appreciation while others cap the total value of the asset that is available to participants. Some models require participants to use the funds for education-related expenses while others do not place any restrictions on how the funds are used.

National proposals for Baby Bonds that first originated with researchers Darrick Hamilton and William Darity are designed to provide children in the least wealthy families with a one-time initial deposit of around \$50,000, invested at a guaranteed interest rate of at least one percent. **Research indicates that a Baby Bond of this scale would considerably reduce racial wealth inequality for participants by the time they become young adults.**³⁷

Cory Booker’s Baby Bonds proposal during the 2020 presidential election would provide an initial deposit of \$1,000 to \$3,000 with annual payments of up to \$2,000 until the child turns 18. With an estimated three percent annual return, the investment would yield an average asset of roughly \$29,000.³⁸



PROPOSAL 1

Multnomah County Preschool for All Baby Bonds

Baby Bonds that are currently being implemented by local jurisdictions across the country tend to be much smaller in scale than these national proposals. Many provide a one-time deposit of around \$500 and thus are unlikely to meaningfully impact the racial wealth gap. The most generous of the programs is the District of Columbia’s Child Wealth Building Act, which enrolls income-eligible babies in a Child Trust Fund with initial deposits of \$500 followed by annual deposits up to \$1,000 depending on family income. Participants can access up to \$25,000 at age 18 to pay for education, buying a home, or other qualified expenses.³⁹

Multnomah County should aim to create a Baby Bond program that is at a scale and scope that will make a significant, long-term difference in the lives of the participants.

Combined with the benefits of Preschool for All, the Baby Bond would create a pathway to economic prosperity for the county’s most vulnerable children. Linking the roll-out of the Baby Bond to the Preschool for All implementation schedule would provide an opportunity to scale up the program gradually over multiple years, making it possible to manage costs over time.



PROPOSAL 2

Multnomah County Guaranteed Basic Income

Creating economic security and building generational wealth require a combination of both income and assets. Without a steady source of adequate income, it is impossible to achieve the financial security necessary for building wealth.⁴⁰ As part of its economic justice blueprint, the County should implement a Guaranteed Basic Income that ensures all Multnomah County residents are able to meet their basic needs.

The Multnomah County Guaranteed Basic Income would be grounded in a policy-level commitment to the principle that having access to a standard of living sufficient to meet the needs of daily life is a fundamental human right. To operationalize this commitment, the County would work to incorporate a guaranteed income into all its programs so that every person who has a service delivery relationship with County government would be assured a basic income. To manage costs, the program could be rolled out in waves, leveraging existing County programs that target BIPOC participants and include an unconditional cash transfer component and scaling up beyond those programs over time. To address the intersectionality of the county's economic disparities, initial roll-out should prioritize programs that serve BIPOC mothers and their children, such as Multnomah Mothers' Trust.

Guaranteed basic income programs provide unconditional, regular cash payments intended to build a consistent, predictable income floor under which no one can fall. The approach targets supports to the people who need it most, especially BIPOC households who have been impacted by systemic and historic barriers to economic opportunity.

Guaranteed income is an antiracist strategy that challenges and disrupts the dominant narratives and paternalistic assumptions that have undermined the social safety net for decades. Providing cash payments with no strings attached recognizes that people are experts in their own lives and trusts them to make the best decisions about how to meet their families' unique situations and needs.⁴¹

Research from guaranteed income demonstration projects shows that this approach has a positive impact on a wide range of outcomes linked to long-term financial security. More than 100 local guaranteed income demonstration projects have been launched in cities and counties across the U.S. in recent years.



PROPOSAL 2

Multnomah County Guaranteed Basic Income

Evidence from the pilots demonstrates that participants use the payments to pay for essential needs like food, rent, utilities, and transportation. The stability of a regular income enables participants to increase their work participation and to seek better employment opportunities with higher earnings. It also provides a platform for pursuing education, training, and other income building opportunities. And it alleviates the stress associated with economic insecurity, improving people’s well-being.⁴²

Additional analysis is needed to determine the scale and scope of a Multnomah County Guaranteed Basic Income that would achieve long-term, systemic impacts.⁴³ Most of the demonstration projects implemented to date are intended as proof-of-concept pilots. They are time-limited and serve a small portion of eligible households, with participants selected by lottery. Monthly payments, which range from \$300 to \$1,000, are often too low to create genuine economic security.⁴⁴

Multnomah County should aim to achieve long-term, systems-level change by building a Guaranteed Basic Income that will provide genuine economic security for county residents.



PROPOSAL 3

Multnomah County Reparative Justice Commission

Multnomah County should acknowledge and make amends for its role in contributing to historic and present-day harms that impede generational wealth-building for Black and Indigenous communities.

Income and asset building strategies can help to increase generational wealth, but experts note that the only way to fully close the racial wealth gap is by making restitution for the historical debt that America owes to Black and Indigenous people stemming from the enslavement, genocide, and theft at the roots of the U.S. economy.⁴⁵ While Multnomah County cannot enact restitution at a sufficient scale to fully repair these harms, the County can make amends for the harms that it has imposed.

Multnomah County should establish a formal Reparative Justice Commission and provide an up-front commitment of resources to fund its recommendations.

The process should adhere to the following guidelines:

1. The commission's work should be rooted in an analysis of the historic and present-day harms inflicted by County government on the county's Black and Indigenous communities, and it should be led by the members of those communities.
2. Multnomah County cannot define the remedy, it must be defined or agreed to by those who suffered the harm.
3. The County should issue a public apology to initiate the process of repair.
4. An independent structure should be created to receive resources for restitution, and those who suffered the harm must have the power to make decisions on the allocation of resources for restitution and repair.⁴⁶

The County's reparative justice program should focus on both the Black and Indigenous communities, either through two separate commissions or two tracks led by the same commission.⁴⁷



PROPOSAL 3

Multnomah County Reparative Justice Commission

While the specific program of restitution that emerges from this process will be determined by the commission, examples from other jurisdictions help to illustrate some potential approaches:

Black reparative justice: In 2019, the Evanston City Council adopted a resolution committing \$10 million to fund local reparations for Black Evanston residents. The process began with an analysis of the specific role played by the City in inflicting harm on the Black community. Ongoing consultations were held with the City’s Black community to generate proposed remedies. The resulting program of restitution focuses on housing assistance because of the City’s role in promoting housing discrimination through zoning ordinances in place between 1919 and 1969. Eligibility is established by proving that an ancestor was a resident of Evanston who lived in the city between 1919 and 1969 or encountered housing discrimination because of City policies after 1969. A Stakeholders Authority made up of leaders from Evanston’s Black community oversees the awarding of grants, which can be used for home repairs, mortgage assistance, or down payments.⁴⁸

Indigenous reparative justice: Land restitution is one way local governments can engage in reparatory justice for Indigenous people. In 2022, the City of Oakland announced plans to return five acres of City-owned land to permanent Indigenous control. Under the proposal the Sogorea Te’ Land Trust – an Indigenous-led organization that facilitates the return of land to Indigenous people – will have control over the use of the land for cultural, environmental, and educational uses.⁴⁹ While returning land back to Indigenous stewardship is the primary way to support land restitution, land taxes and rent funds can be used in situations where return is not feasible.⁵⁰ For example, Seattle’s Real Rent Duwamish fund is an effort to compensate the Duwamish people for colonial seizure of their land and the continued use of their territories. Rent payments go toward supporting Duwamish cultural preservation efforts and educational, health, and social services.⁵¹ Multnomah County has invested in relationship-building with Indigenous communities through its new Tribal Liaison Advisor, which offers a potential foundation for this work.



PROPOSAL 4

Reform Multnomah County Policies and Practices to Eliminate Barriers

The County should commit to reforming County policies and practices that contribute to wealth-stripping while also advocating for changes to policies and practices that are outside the County's jurisdiction.

Wealth-stripping policies and practices rooted in systemic and institutional racism create barriers to generational wealth-building in BIPOC communities. Removing these predatory and extractive practices is critical to any effort to create pathways to build generational wealth.⁵²

Potential focus areas for reforms include:

Fines and fees reform: Due to systemic racial bias, municipal fines and fees are disproportionately imposed on BIPOC communities, draining wealth and locking people in cycles of debt. The County should conduct an inventory of all fines and fees within its jurisdiction and identify potential reforms to address their inequitable impacts.

The County's Department of Community Justice and Local Public Safety Coordinating Council are engaged in ongoing work to reform criminal justice system-related fines and fees, and reforms of the library system's fines and fees are already in place. The County should build on these efforts to enact a comprehensive system-wide reform of all fines and fees that contribute to wealth-stripping of BIPOC communities.

Address barriers for people with a history of involvement with the criminal justice system: BIPOC communities are disproportionately impacted by barriers to economic stability affecting justice-involved individuals.⁵³ Examples of potential county-level reforms that could help to address barriers for justice-involved individuals include:

Protected class status: The Atlanta City Council voted in October 2022 to make justice-involved people a protected class. The vote makes it illegal to discriminate against people based on their involvement with the criminal justice system.



PROPOSAL 4

Reform Multnomah County Policies and Practices to Eliminate Barriers

The vote was the result of advocacy by Barred Business, a nonprofit led by formerly incarcerated women that is working to launch similar campaigns across the country with the goal of ultimately including justice-involved people as a protected class under federal civil rights legislation.⁵⁴

Automated expungement: The nonprofit Code for America is partnering with states and local governments to provide technology that automates the record expungement process, with the goal of making record clearance a routine function of local government. The technology reads criminal history data, determines eligibility for expungement based on state guidelines, and produces the necessary documentation for the courts.⁵⁵

Consumer financial protections and regulations on predatory lending:

Disparities in generational wealth and income put BIPOC communities at disproportionate risk for financial predation through payday loans, vehicle title loans, installment loans, and other subprime loans which can lock borrowers into a cycle of debt.⁵⁶ Jurisdictions can regulate predatory lending by capping interest rates and ensuring a borrower's ability to repay.⁵⁷ They can also prohibit certain types of predatory lending, cap the number of lenders in a given area, and advocate for the state to enact more stringent regulations.⁵⁸

Next Steps

Over the upcoming weeks, the Discussion Guide will be shared with County leaders for input and refinement. Then in Spring 2023, community partners will be invited to provide feedback on the framework and potential strategies. Through this collaborative design process, the EJP aims to identify shared priorities for further research and development.

This Discussion Guide is intended to provide a starting point for a multi-step process to infuse a commitment to economic justice into all of Multnomah County's work.

Over the upcoming weeks, the Discussion Guide will be shared with County leaders for input and refinement. Then in Spring 2023, community partners will be invited to provide feedback on the framework and potential strategies. Through this collaborative design process, the EJP aims to identify shared priorities for further research and development.

During the 2023-24 fiscal year, the EJP will engage in additional research and partnership-building to assess the feasibility of implementing the ideas that emerge from this collaborative process. In addition, the EJP will work with interested programs within the County's current systems of care to explore specific strategies to infuse an economic justice lens into their services, with a particular focus on strategies that eliminate barriers.

These research and design efforts will inform collaborative work with the Board of County Commissioners to develop a package of proposed strategies and investments for the 2024-25 fiscal year and beyond.

In addition to working toward identifying a specific set of economic justice strategies to implement in future budget years, the County's commitment to the goals and principles of economic justice should be integrated throughout its budget and policy work. This includes identifying existing County services that could become a means to advancing economic justice, conducting an annual economic justice impact analysis of the County budget, and engaging BIPOC communities as partners in reviewing and providing feedback on budget and policy proposals from an economic justice lens.

Appendix

Appendix A: Multnomah County 2022-23 Budget Analysis Details

This document lists the specific program offers in the Multnomah County 2022-23 budget that were included in the budget calculations for each category of the analysis in the *Multnomah County's Current Investments* section.

Appendix B: Menu of Potential Approaches: Example Strategies

This document provides examples of how the strategies listed in the *Menu of Potential Approaches* are being implemented at a local level.

Appendix C: Endnotes

This document provides source citations and additional information corresponding to the endnote notations throughout the Discussion Guide.