

 Education Leaders of Color

Policy Agenda

THE PROBLEM

Money can mean many things like power and influence. But above all else, it's a tool for self-determination in America. Yet people of color continue to battle systemic inequities that deny them the opportunity to generate the wealth they need to thrive.

These inequities cut across every facet of life, stifling access to academic and employment opportunities, quality health care, housing, banking services, child care, and more, all of which impact success in life. According to research conducted by the Federal Reserve, the average Black and Latinx household earns approximately half as much as the average White household and has only 15 to 20 percent as much net wealth. A Pew Research Center study found that 12 of 19 Asian origin groups had poverty rates that were as high, or higher, than the U.S. average.²

THE SOLUTION

High-quality education is key to ending generational poverty, but its impact is only possible when sectors recognize the profound overlaps in inequity that shape our collective progress.

Policymakers and civic leaders must pursue cross-sector solutions to dismantle the racist structures stifling the economic success of communities of color.

Ensuring the success of children and youth should be a top priority, as research clearly shows that a significant number of children who grow up in poverty will remain trapped in poverty as adults.³

Well-being is a key component for success — policies aimed at fostering the growth and development of children and youth must also ensure that their caregivers have access to the necessary resources and support systems to create a stable and nurturing home environment. By addressing the needs of both children and their caregivers, we can create a strong foundation for the overall well-being and future success of our nation's young people.

EDUCATION LEADERS OF COLOR (EdLoC)

EdLoC was founded to disrupt our approach to the challenges of economic and academic advancement for young people of color. In a society that has historically taken intentional steps to deny children of color the educational opportunities needed to build generational wealth and thrive, EdLoC recognizes that our solutions must be multi-faceted, multi-racial, intersectional, and cross-sector.

We've pursued our north star by mobilizing a growing network of values-aligned leaders of color united by a collective understanding that there is not a singular approach to building generational wealth for communities of color – economic advancement is not only about education, but also health care, immigration, and so much more.

We work collaboratively to ensure young people of color have the support they need to capitalize on opportunities, build generational wealth, and thrive.

¹ <https://www.federalreserve.gov/econres/notes/feds-notes/disparities-in-wealth-by-race-and-ethnicity-in-the-2019-survey-of-consumer-finances-20200928.html>

² <https://www.pewresearch.org/fact-tank/2021/04/29/key-facts-about-asian-americans/>

³ <https://poverty.ucdavis.edu/children-intergenerational-transmission-poverty-0>

In order to achieve our vision, families need to

EARN MORE

Expand Access to High-Quality Early Learning

Research shows that children from low-income backgrounds who had access to 24 months or more of high-quality early childhood education in their first five years were more likely to graduate from college and had higher salaries at age 26.⁴ Too often, access to high-quality early learning programs is low and unequal — on top of it all, the cost of high-quality child care is simply out of reach for too many families: only one (1) percent of Latinx children and four (4) percent of Black children are enrolled in high-quality state preschool⁵ programs. Providing high-quality care looks like, but is not limited to, the creation of a tiered and transparent system for measuring the quality of child care providers, which must include evidence-based standards. EdLoC supports legislation that will make child care more affordable for working families, expand access to preschool programs⁶ for 3- and 4-year-olds, improve the quality of care for all children, and increase the compensation of and provide training for child care workers — including training ways to increase cultural awareness and linguistic competence.

Minimize Student Debt

The existing racial wealth gap is significantly exacerbated by the student debt crisis. While approximately 45 million student loan borrowers owe more than \$1.6 trillion, longstanding racial and economic inequities disproportionately leave borrowers of color with greater rates and amount of student debt, more difficulty repaying student loans, and greater rates of default.⁷ Pursuing higher education is meant to open doors and opportunities, not shut them — this inequity prohibits their ability to fully thrive and attain the life that higher education was supposed to allow for. To tackle this inequity head-on, EdLoC advocates for the following:

- Boosting the Purchasing Power of Pell Grants: Double the Pell Grant, index the maximum Pell award amount to inflation, and ensure funding for the program is fully mandatory.
- Ensuring Fairness: Enact provisions that would make DACA and Temporary Protected Status recipients eligible for Pell Grants, student loans, TRIO, and GEAR-UP assistance, among other federal student aid.
- Protecting Student Loan Borrowers, including by:
 - Supporting the Public Service Loan Forgiveness (PSLF)
 - Enacting Consumer Protections
 - Funding Consumer Assistance Programs
- Providing Financial Stability When Emergencies Arise: Establish grant programs for institutions of higher education to provide emergency grants to help students navigate unforeseen financial obstacles.

⁴ <https://edtrust.org/early-childhood-tool/#:~:text=In%20a%20first%2Dof%2Dits,high%2Dquality%20state%20preschool%20programs>

⁵ <https://givingcompass.org/article/the-long-term-impacts-of-high-quality-early-childhood-education#:~:text=Remarkably%2C%20children%20from%20low%2Dincome,higher%20salaries%20at%20age%2026>

⁶ <https://www.congress.gov/bill/116th-congress/senate-bill/568>

⁷ <https://www.whitehouse.gov/briefing-room/statements-releases/2022/08/24/fact-sheet-president-biden-announces-student-loan-relief-for-borrowers-who-need-it-most/>

BUILD WEALTH

Invest in Baby Bonds

Wealth inequality in the U.S. continues to grow, fueled by federal policies that disproportionately benefit white families. Baby bonds would help level the playing field by providing low-income families with annual deposits into accounts managed by the Treasury, beginning in the year of a child's birth, with children from the lowest-income households receiving the maximum amount. Earnings from investments of these accounts would be available for education expenses, homeownership, or small business support when the child turns 18.

EdLoC calls for legislation that would provide every American child, at birth, with an account seeded with, at minimum, \$1,000. Each year, children would receive an additional deposit into their account, based on their family's income. These funds would remain in a federally insured account managed by the Treasury Department, until the child turns 18. Once they turn 18, they can access and use the funds for allowable uses like buying a home, financing a higher education, or pursuing entrepreneurship.

Achieve Permanence for Child Tax Credits (CTCs)

The expansion of the CTC in the American Rescue Plan reached 65 million children and kept 3.7 million children out of poverty, with Black and Latino families seeing the largest declines in child poverty. Prior to passage of this law, an estimated 27 million children received less than the full CTC amount because their families' incomes were too low, including roughly half of Black children, half of Latino children, roughly 20 percent of white children, 20 percent of Asian children, and roughly half of children living in rural areas.⁸

Unfortunately, the expansion and full refundability expired at the end of 2021.

Economic assistance in childhood has been found to improve low-income children's health and educational outcomes and lead to higher earnings in adulthood. EdLoC will work with its members and national partners to support recently introduced legislation and ongoing efforts that aim to make the expansive changes of CTC permanent.

⁸ <https://www.mecep.org/blog/the-child-tax-credit-anexplainer/#:~:text=Before%20expansion%2C%2027%20million%20children,t%20earn%20enough%20to%20qualify>

BE CARED FOR

Expand Access for Children to Healthy, Sustainable Food

In 2018, more than 2.7 million households with children, and particularly low-income households and households of color, did not have reliable access to nutritious food. Moreover, the pandemic worsened pre-existing inequities in food insecurity. Both Black and Hispanic households with children reported food insecurity at rates roughly twice that of white households with children throughout the pandemic.

Research shows that children living in food-insecure households are at greater odds of fair or poor health, are more likely to be hospitalized in early childhood, may experience behavioral issues that interfere with schooling, and are at higher risk of certain chronic diseases, such as asthma. Among adolescents, food insecurity is associated with depression and suicidal ideation.

EdLoC advocates for legislation that ensures access to healthier, sustainable food that young people need to have the chance to learn and thrive.

Provide Youth a Pathway to Citizenship

Over the past ten years, the Deferred Action for Childhood Arrivals (DACA) program has granted hundreds of thousands of undocumented youth temporary protection from deportation and the opportunity to go to school in our country's PreK-12 schools and college campuses and work lawfully. Currently, 15,000 DACA recipients are classroom teachers. 450,000 undocumented students are enrolled in higher education and an estimated 100,000 undocumented youth graduate high school each year.

According to U.S. Citizen and Immigration office, DACA is now based on a formal regulation, thereby preserving and fortifying the program while the program remains the subject of litigation in court.⁹ If DACA is terminated, the danger presented to DACA recipients and the impact on our schools, our economy and our community will be grave. An average of 5,000 DACA recipients will lose their protection each and every week for the next two years if renewals are halted.¹⁰

EdLoC calls for legislation that provides a pathway to citizenship for undocumented youth.

⁹ <https://www.uscis.gov/newsroom/news-releases/dhs-begins-limited-implementation-of-daca-under-final-rule>

¹⁰ <https://www.uvu.edu/studentaffairs/divisions/inclusive-excellence/blog/daca2022.html>