

Keynote Address by Treasury's Counselor for Racial Equity Janis Bowdler at the UnidosUS 2022 Changemakers Summit Affiliate Leadership Breakfast

March 29, 2022

Remarks as prepared for delivery:

Colleagues and friends, it is truly an honor to be here today.

Thank you to President and CEO Janet Murguía, and Board Chair Luis Granados for the opportunity to address the Changemakers Summit. I also want to thank the UnidosUS staff who worked so hard to put on this event today. This is a real “full circle” moment for me. As many of you know, I spent 10 years at Unidos – I understand the weeks of preparation and late nights that it takes to prepare for this amazing event.

I would also like to thank Secretary Yellen and Deputy Secretary Adeyemo for championing racial equity work at Treasury and for creating the first ever Counselor for Racial Equity position. I am grateful for the opportunity to serve in this role. My entire career has revolved around helping communities of color build the financial security necessary to be full participants in the American Dream. Now I get to pursue this passion on behalf of the American people.

From day one racial equity has been a priority for the Biden-Harris Administration, and for good reason. The failure to invest in communities that have been underserved is money left on the table; it is a drag on our national economy.

For Treasury to realize its goals for an inclusive and resilient economy, it must consider how to create opportunity for all Americans – including those at the greatest risk of being left behind. Secretary Yellen has been clear on this point: far too often, the economy has not worked well for Black, Latino, AAPI and native communities. Rural communities, those impacted by climate change, people with disabilities, and many that identify as LGBTQ have also seen limits on their ability to participate in the prosperity of our nation.

Our goal is to foster an economy where everyone can achieve financial security and reach



their full economic potential. We will only get there by fixing the broken systems that sideline too many of our families, businesses, and communities.

Thanks to this vision from Secretary Yellen, I am tasked with building a racial equity agenda for the agency and ensuring that equity considerations are incorporated into Treasury's policymaking and operations. As you can imagine this is both a great challenge and a defining opportunity – and it comes at a critical time.

When the pandemic hit, Latinos saw the steepest initial decline in employment with the [Latino unemployment rate peaking at 18.5 percent in April 2020](#). The unemployment rate still stood stubbornly 4.2 percentage points above pre-pandemic rates when President Biden took office in 2021, compared to 3 points for White unemployment. This is in keeping with past experience that has shown communities of color recover from economic downturns more slowly. For example, after the [Great Recession it took until 2017 for people of color to get back to their pre-recession unemployment rate](#) in comparison to 2015 for white Americans.

The Administration quickly got to work with Congress to pass the American Rescue Plan to infuse \$1.9 trillion into the economy to get families back to work safely, help local communities recover, and provide a lifeline to small businesses hit hard by the pandemic.

Treasury took the hard lessons of the Great Recession and its effects on people and communities of color to heart. Treasury is responsible for administering more than a trillion dollars of recovery funds across more than a dozen different programs to help families, businesses, and governments recover from COVID-19. From the outset, the Department recognized that centering the needs of the most vulnerable was essential to drive a strong and equitable economic recovery. I'll give you two examples:

- The \$350 billion **State and Local Fiscal Recovery Fund** program provides much-needed relief to state, local, and Tribal governments across the country to fight the pandemic, support families and businesses struggling with its public health and economic impacts, and maintain vital public services, and make investments that support long-term growth and opportunity.

Treasury's flexible design empowered local leaders who were closest to the problem



identify the solutions most meaningful for their communities. Treasury also actively encouraged jurisdictions to leverage robust community engagement, elevating the voices of people on the front lines of the pandemic. For example, Cleveland, Ohio and Durham, North Carolina are using online surveys, discussions with advocacy groups, and listening sessions to understand the needs of their communities and address inequities. And to ensure that this outreach is capturing the needs of everyone in communities, Treasury's reporting guidance for these kinds of jurisdictions asks them to describe how they are being inclusive of populations with limited English proficiency.

I can't stress enough how important this is to actualize our racial equity objectives. My early start at a nonprofit housing developer in Cleveland, my years working with the UnidosUS Homeownership Network, and my time as a funder all repeatedly taught me the same lesson – many of the best solutions come from local leaders! Most of the time what leaders need are the resources to fuel and scale their plans to improve their communities.

So, it was no surprise that the flexibility and active community engagement led to high-impact uses of Fiscal Recovery funds. For example, Pima County, AZ is using fiscal recovery funds to provide more childcare slots for families of color and dual language learners. And last month, Secretary Yellen visited Mi Casa Resource Center in Denver, which is receiving ARP funds to provide workforce training services to their clients, over 80% of whom are people of color.

Treasury is requiring governments to report how their projects are serving communities that were disproportionately impacted by the pandemic. This gives Treasury the data we need to understand whether we are fulfilling our objective -- to build an equitable recovery and support the hardest hit Americans -- while also ensuring public transparency and accountability about how governments are deploying funds to support vulnerable populations.

- The **Emergency Rental Assistance** program is another example of strategic targeting to ensure the funds reached the most vulnerable. Treasury used program guidance to



strongly encourage state and local ERA programs to reduce documentation burdens and deliver aid directly to renters when the landlord would not cooperate. The Department also strongly encouraged investment in culturally and linguistically relevant partners and services, worked with Black and Spanish media, and convened unions and faith leaders.

The effort paid off. According to 2021 data, of the people who received ERA assistance, [over 80% of recipients are very low-income, and approximately 40% self-identify as Black and 20% as Hispanic](#). This is in line with [findings from the Eviction Lab](#) that indicate that low-income communities and communities of color typically experience a disproportionate share of eviction cases - and the impact of ERA assistance contributed to a sustained reduction in rental housing instability for those most in need.

Another crucial aspect of President Biden's American Rescue Plan was to provide extraordinary support through tax cuts to families with children, low-income workers, and those burdened with caregiving costs. But perhaps equally important, were the steps Treasury and IRS took to reimagine the way the IRS serves families.

Tax credits have long been a crucial part of how the Federal government supports families and workers, but families that rely on these supports face two big obstacles. First, tax refunds are only paid once a year but expenses accrue daily. Second, to get tax credits you must file a tax return, but the most vulnerable Americans do not typically file taxes because it is hard, expensive and not mandatory for them.

To address the first obstacle, the IRS, with Treasury's support, delivered half of the Child Tax Credit in monthly payments from July-December 2021 for the first time in history. Tens of millions of eligible families received \$250-300 per child in monthly support.

I want to thank many of you in this room for your help and partnership to get the word out about the Child Tax Credit. Your efforts were critical to reaching so many Latino families who otherwise may have gone without this much needed support.

To help with the second obstacle, we collaborated with Code for America, a non-governmental non-profit to build a streamlined portal to make it easier to access the Child Tax Credit that was available in both English and Spanish and mobile-friendly. According to a survey of more than 12,000 portal users, 24% had never filed taxes in their lives and over



were people of color.

The result was immediate and dramatic. The first payment of the Child Tax Credit in July [reduced child poverty by 40 percent](#) and [child hunger by 25 percent](#) after just one month. By December, [Treasury and the IRS had distributed roughly \\$93 billion in tax relief to the families of approximately 61 million eligible children.](#)

Now our work has turned to the 2021 tax filing season. To help as many families as possible access the Child Tax Credit, Earned Income Tax Credit and the Child and Dependent Care Credit, Treasury worked with the administration to launch a revamped version of [ChildTaxCredit.gov](#) to share practical and accessible information about tax credits in English and Spanish. The website also includes a simple navigator that directs taxpayers to free tax filing services - the first time a tool with this variety of in-person and online options is available in English and Spanish on a .gov website. That tool and most of the tax filing services it refers to are also available in Spanish.

With Unidos's close partnership, we also have had a special focus on Puerto Rico this filing season. Most families in Puerto Rico are eligible for the Child Tax Credit for the first time, but most Puerto Rican residents don't file U.S. taxes. Building the infrastructure to support Puerto Rican residents is a challenge and we are especially grateful for Unidos for convening the important stakeholders on the ground and on the mainland, to help us spot and troubleshoot problems as they arise and lift up messages and tools to help residents file taxes. We have a lot of work still to do, but we're making great progress.

This month as we celebrate the one-year anniversary of the American Rescue Plan there is a lot to be proud of. We've supported the economic stabilization of individuals and households during a period of deep uncertainty, and the economic support provided by ARP helped reinvigorate an economy that added 6.6 million jobs last year. We're now seeing the unemployment rates for Black and Latino adults nearing their pre-COVID levels: In February 2020 the Black unemployment rate was 6.3% and Latino unemployment was 4.8%. The latest figures show us that for February 2022 the [Black unemployment rate is 6.8%](#) and [Latino unemployment is 4.8%](#) - still higher than the white unemployment rate of 3.7%

Given all we have been through and the economy showing promise, some may be tempted to let the hard truths surfaced by tragic and painful racial violence, such as the massacre in El Paso, the murder of George Floyd, and the random hate crimes against AAPI people, fade the rearview mirror. The challenges we face today are rooted in our history of structural



racism that left Black, Brown, AAPI, native communities out of policies that built the middle class.

That's one reason why it's so important for federal agencies to tackle issues of racial equity head on. A key aspect of my role is to ensure the progress I described above is not fleeting with a single Administration. We are taking steps to weave racial equity into the fabric of Treasury. One way we are doing this is through the Treasury Advisory Committee on Racial Equity. As an official advisory committee, members will provide advice and recommendations to Treasury's senior leadership on a wide range of topics essential to addressing wealth disparities and meeting the moment of opportunity to invest in the potential of our communities. We are also expanding internal efforts to recruit a Treasury workforce that reflects the diversity of our nation and build our institutional capacity and expertise on racial economic issues.

Looking ahead, we must pivot from acute crisis mode to renewing our focus on building an economy that works for us all. Treasury cannot do this alone and look to partners like UnidosUS and its Affiliate network. I applaud Janet for her call to create 4 million new Latino homeowners by 2030. Efforts like this are critical to helping families build the assets that generate wealth that fuels intergenerational financial security. I know the work the work of UnidosUS Affiliates. Your collective voice, advocacy, and work to help our families move up the economic ladder are improving the lives of millions of Latino families. Now is the time for us to make bold investments in people and families that will fuel our economy. I want you to know that you can still count on me, the Treasury Department, and the Administration to be your partner.

Thank you, Janet, Luis, members of the Board and the Affiliate Council for having me here this morning. I wish you the best of luck for the rest of your conference!

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