



National Policy Recommendations

In December 2019, ASBC launched its work on **Creating an Economic System that Works for All** at its Washington, DC Summit. In March 2020, ASBC launched the multi-stakeholder [Working Group](#). The working group is developing the most important business-related public policy initiatives required to **Create an Economy that Works for All**. As we continue to gather public policy recommendations, we have pulled some of the most important ones that highlight creating an inclusive economy, one that truly works for *all*. They are divided into three sections: Business Governance, Worker Wellbeing, and Environment.

Business Governance

Board Diversity

- Corporate boards must be diverse. Diversity is defined as inclusive of race, ethnicity, religion, gender or sexual identity, and neural and physical ability. Based on California's regulations, this requires corporate boards to have a minimum of one person of a currently unrepresented group if the total number of directors is four or fewer; two people of a currently unrepresented group if the corporation has five total directors; and a minimum of three people of a currently unrepresented group if the corporation has six or more total board members. We must also ensure that board members represent diverse geographies and experience as well as are able to adequately represent other impacted stakeholders like the environment and communities affected by a corporation.

Require boards to create workforce committees that address workforce issues at the board issue

- We must require the Securities and Exchange Commission, the Department of Labor, and the National Labor Relations Board to jointly develop rules that would require the boards of companies with more than \$1 billion in annual sales to create and maintain a committee focused exclusively on workforce concerns. Racial injustice and discrimination are one of those issues that cannot be swept under the rug by corporations

Require reporting on supply chains

- We must promote supply chain traceability and require businesses to report on the due diligence they conduct to identify the human rights and environmental impacts in their supply chains. Model standards include the California Transparency in Supply Chains Act, the conflict minerals provision in the Dodd-Frank Act of 2010, and the United Nations Guiding Principles on Business and Human Rights.

Worker Wellbeing

Provide reparations for descendants, redlined communities & native communities

- White household median wealth is 7-10x greater than African American household wealth. While we can trace this back to slavery, only 10% of white families lived in the United States at that time—and most of them were poor during the Great Depression. White families recovered dramatically better after World War II, leading to median household wealth exceeding \$140,000. African American households have less than \$20,000. Why? Most of the white wealth is based on home ownership. But Blacks were discriminated against by even the Federal Government's

Federal Housing Authority in the 1940s—and by redlining long after. Subsidized down payments, loans--and more--should be employed to the point where black and white home ownership is largely equal.

Strengthen the Americans with Disabilities Act (ADA)

- The Disabled Access Credit Expansion Act—introduced by U.S. Senators Tammy Duckworth (D-IL), Bob Casey (D-PA), Maggie Hassan (D-NH) and Amy Klobuchar (D-MN)—would double the maximum tax credit currently offered via the Disabled Access Credit (DAC), which helps businesses pay for renovations. The proposed legislation would also expand the definition of small businesses who are eligible to receive this assistance, as well as investing in existing programs that mediate ADA-related disputes and help individuals and businesses understand the ADA's requirements.

Increase the minimum wage to a livable wage

- This is a necessary measure that cannot exclude tipped workers or others that today earn a sub-minimum wage. A *National Employment Administration* will complement the private sector to ensure a full employment economy while putting people to work on these projects while providing a just transition for workers into new industries.¹

Universal Basic Income

- Provide everyone with a “Universal Basic Income”. The Alaska Permanent Fund gives every citizen a check each year from oil revenues—sometimes over \$2,000, Almost \$9,000 for a family of four. The federal government should establish a National Permanent Fund using income and revenue from federal taxes and assets, such as: a climate/CO2 tax, or sales from the broadcast spectrum, and mine leases.

Protect Gig Economy Workers

- Over the past decade, gig economy companies like Uber and TaskRabbit have eroded hard-won employment protections by classifying workers as independent contractors. As a result, workers in the gig economy operate without basic benefits like health insurance, workers’ compensation, breaks, or paid time off. They are often subjected to unsafe, compromising situations without recourse. Under the California Cooperative Platform Economy Act, platform companies operating in California have the option to contract with cooperative labor contractors (CLCs) instead of directly employing workers. If successful, this new arrangement, which is modeled after the updated Farm Labor Contractor standards in California, would result in the majority of platform workers being employed at businesses that they own and govern.

Provide Access to Education

- During the industrial age, when high school was the gateway to the American dream, public-school systems covered the costs of earning a diploma. Today, however, as associate degrees have replaced high-school diplomas as the indispensable ticket into the middle class, families are forced to cover the costs of tuition and more. If the information-age economy demands a workforce with additional training, we need to begin cutting students and families the same deal: Anyone willing to work hard and earn the degree should be able to attend community college—for free. In addition to support our families and the education of their children we must provide Free universal pre-k.

¹ https://www.asbcouncil.org/sites/main/files/file-attachments/erp_v3.pdf

Universal Healthcare

- The COVID-19 pandemic has shown the folly of connecting employment to health insurance. More than 28 million U.S. workers have been laid off or furloughed since early March 2020 and it is estimated that resulted in nearly half - 12 million - losing their employer-sponsored health insurance. Prior to the pandemic, another 37 million Americans lacked health insurance and 40 million more had inadequate insurance. A Medicare for All system would have better prepared our health care system and economy for this crisis. Medicare for All will jumpstart the U.S. economy, boost worker salaries and family incomes, and unleash a new generation of entrepreneurs and small business start-ups. This view is quickly becoming standard among respected economists and business leaders.

Environment

Eliminate privatization of water resources-increase federal funding instead

- The funding gap for U.S. water infrastructure could exceed \$1 trillion. Many decades-old drinking water, wastewater, and storm-water systems do not meet existing environmental and public health standards. Even more systems will need to be modernized to continue to meet these standards. Furthermore, our water infrastructure was never designed for the impacts of climate change, including the increasing frequency of droughts and sea level rise, so many existing systems will need to be redesigned or relocated. That is why congress must triple annual appropriations for the clean water and drinking water state revolving funds, increasing them from approximately \$2 billion to \$6 billion.

Improve access to clean water

- No family should have to choose between paying their water bill and paying for food, clothing, and other essentials. Water prices are rising across the country and low-income families increasingly cannot afford the cost of services. The next administration should work with Congress to ensure that clean drinking water is not only available but also affordable for all Americans, especially low-income families. The next President's environmental justice agenda must include a new federal Clean Water for All initiative to ensure that every American has access to clean water, as a human right. And this Clean Water for All initiative should target the front-line communities most at-risk of contaminated water.² We cannot support a two-tiered system in America where the wealthy have access to water that is clean and safe for their families, while disadvantaged communities are forced to accept second-class water and wastewater systems that pose risks to their health and environment.³

Invest in emerging small-scale, worker-owned food production, processing, and service cooperatives

- We must support America's farmers and farm workers through shifting power away from large agribusinesses and taking advantage of America's rural communities. Today the combination of economic structures built to benefit large corporations, the Trump administration's chaotic agriculture and trade policies, and increasingly costly disasters have together stacked the deck

² <https://medium.com/@sam.t.ricketts/evergreen-action-plan-3f705ecb500a>

³

<http://protectcleanwater.org/wp-content/uploads/2017/09/CWFA-Infrastructure-Health-Equity-White-Paper-Oct-2018.pdf>

against American farmers. President Trump's trade agenda has created costs where export sales and new market opportunities once existed. Under the Trump Administration there has also been a rise of enormous agribusinesses that have squeezed small family farms to the point of breaking. These large businesses, which have grown in size as they have merged vertically and horizontally, can now effectively set prices and control entire swaths of America's agriculture sector.⁴

Prioritize resources for communities at the frontlines of land and food injustice, both urban and rural

- To do this we must create two funds; one that will drive local economic and workforce development, and the other that will focus on creating good jobs through site cleanup, environmental remediation and ecological restoration. Data show that economic development patterns that isolate low-income communities and concentrate environmental harms alongside poverty are the result of decades of systematic policy choices. And these communities are frequently communities of color.⁵ Rural communities can pay a real price as sacrifice zones for extractive industries. This is especially true during times of transition. As mines and power plants close, entire communities are too often left to foot the bill, with abandoned infrastructure, neglected health and environmental hazards, a torn social safety net, and decimated local economies.⁶

State and Local Recommendations

In a swift response to the COVID-19 outbreak, ASBC developed **Recommendations for State & Local Governments**,⁷ building on themes of a 2017 report, **The High Road Workplace: Building a Sustainable Economy**.⁸ To help remedy the current period of racial and health instability, ASBC put together policy recommendations that state and local leaders can immediately adopt pertaining to: reframing economic development practices, banking, finance & procurement, wellbeing, health & safety, climate & energy, corporate social responsibility, education, and broadband.

Reframing Economic Development Practices

Expand Workshare Programs to all 50 states

- Workshare programs let businesses temporarily reduce the hours of their employees, instead of laying them off during economic downturns. Under approved workshare programs, employees qualify for a percentage of unemployment benefits, equal to the percentage by which their hours have been reduced. While it does not fully replace lost wages, the amount supplements a worker's income until they are recalled to full-time work. Currently, just over half the states currently have workshare programs in place.

⁴ <https://medium.com/@sam.t.ricketts/evergreen-action-plan-3f705ecb500a>

⁵ <https://medium.com/@sam.t.ricketts/evergreen-action-plan-3f705ecb500a>

⁶ <https://medium.com/@sam.t.ricketts/evergreen-action-plan-3f705ecb500a>

⁷ https://www.asbcouncil.org/sites/main/files/file-attachments/asbc_recommendations_final_large_size.pdf

⁸ https://www.asbcouncil.org/sites/main/files/file-attachments/asbc_building_the_high_road_report_2017.pdf

- **Banking, Finance & Procurement**

Utilize Community Development Financial Institutions (CDFIs)

- CDFIs are federally designated community-based financial service providers that focus their resources on the most distressed and underserved communities in the nation. State agencies should enter partnerships with them, and encourage other banks to join, to provide additional capital to the communities they serve. States also could provide investment tax credits to institutions, businesses, and residents that invest in or donate to CDFIs.

List and incentivize local investment opportunities

- Every jurisdiction should help local investors find promising local investments by publishing on its web site a list of local people, projects, and companies looking for capital. The list should put particular emphasis on highlighting investment opportunities into minority communities and communities of color. Additionally, every jurisdiction should provide a tax credit to incentivize residents to invest in local businesses. Such incentives also could be introduced locally, through property tax bills for example.

Consider other forms of procurement

- States and localities should also increase their bidding preferences for local bidders of color and in low-income communities. These should apply to contracts of all sizes, in all categories of procurement. For example, to make it easier for local contractors that work with food insecurity to receive government funds, local bidders should be fairly credited with their extra contributions to state jobs and taxes. They should also insist that every contract bidder specifies the minimum percentage of the contract that it pledges to re-spend in-state. Those that promise higher in-state spending would be credited with the additional benefits they generate for the state.

Wellbeing, Health & Safety

Address racial disparities through data collection

- Collecting and publishing demographic data is crucial to both accurately determining the level of coronavirus impacts on under-served communities and communities of color, and directing resources to them accordingly. In Michigan and Illinois for example, African Americans account for about a third of coronavirus cases and about 40 percent of deaths, even though said demographic only encompasses 15% and 14%, respectively, of their states' total populations.

Establish Paid Leave and Paid Sick Days programs

- These programs ensure that all people have access to paid time off from work to recover from illness or to care for a loved one. This policy will especially benefit essential and front-line workers, many of whom are people of color.⁹

Corporate Social Responsibility

Pay a livable fair wage

- People of color are more likely to be paid poverty-level wages than white workers,¹⁰ and according to the Federal Reserve bank of Cleveland, the persistence of the racial wealth gap can be largely attributed to the racial income gap.¹¹ To help remedy this, employees should be paid a living wage, a level higher than the current federal minimum wage. This will enable more equitable income distributions across communities and help put money back into the hands of workers.

Cultivate Inclusion

- Businesses should cultivate inclusion not only because it's fair, but because it greatly expands access to top candidates in the labor pool; sends the right message to clients, vendors and investors in a global economy; and is an immersive way to stay abreast of today's diverse consumer marketplace. Companies should expressly offer equal opportunity to candidates regardless of race, gender, age, sexual orientation, gender identity, religion, ethnicity, physical ability and even prior legal problems. This will help foster an inclusive working environment where all employees are free of harassment and can contribute on an equitable basis.

Engage with communities of color

- Companies should engage more with communities of color, especially those where they have facilities. Doing so will help enable the companies to position themselves not only as vital local employers but as valued community pillars. Engagement at regional, national, and global levels can take the form of community volunteerism, as well as supporting causes and charities that matter to their employees and customers.

Climate & Energy

9

<https://www.nbcnews.com/news/nbcblk/people-color-women-shoulder-front-line-work-during-pandemic-n1199291>

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<https://www.epi.org/blog/workers-of-color-are-far-more-likely-to-be-paid-poverty-level-wages-than-white-workers/>

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<https://www.clevelandfed.org/newsroom-and-events/publications/economic-commentary/2019-economic-commentaries/ec-201903-what-is-behind-the-persistence-of-the-racial-wealth-gap.aspx>

Protect vulnerable households

- To the degree feasible, any system should use program revenues to provide additional protection and assistance to address the needs of rural, low-income communities who are overburdened by climate pollution, transportation costs, and a lack of clean energy, efficiency, and transportation options. These communities are often those most directly impacted by the adverse effects of climate change and as such should enjoy the strongest benefits of any carbon pricing program. This step will help combat decades of environmental injustice mainly impacting communities of color.¹²

Increase sustainable investments in programs, local governments, and community based organizations

- This will support efforts to rapidly deploy renewable energy, energy efficiency, heat pumps, electric vehicle charging stations, and other needed infrastructure and create incentives for communities to welcome and host grid-scale renewable energy projects. Governments should also prioritize and expand workforce training opportunities in the energy efficiency, renewable energy and trades sectors such as programs that accelerate training skilled workers such as electricians, plumbers, energy efficiency contractors, and general contractors. Both training and job opportunities should be prioritized to low-income communities and communities of color and prioritize environmental justice.

Channel investments into coal-impacted communities

- To ensure a just and economically viable transition away from extractive industries for millions of Americans living in close proximity to abandoned extractive infrastructure. One example is the RECLAIM Act, a bipartisan effort to create jobs while enhancing public health and safety by committing \$1 billion to help clean up dangerous, polluting abandoned coal mines on public and private lands. Channeling investments into coal-impacted communities will mitigate the disproportionate amount of poor people and people of color who live in communities with large amounts of air pollution.¹³

Education

Make communities serve as resources to the schools

- Local community-based organizations, service organizations, local government agencies, boys and girls clubs, local businesses, elder-hostels, parks and reserves, state and national forests, residential centers, nature centers, zoos, museums, 4-H clubs, scouting organizations, etc. serve as critical community foundations, especially for low-income families.¹⁴ They should act to provide: internships for students, mentorships for students and faculty independent and curriculum-based

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<https://www.americanprogress.org/issues/race/news/2016/04/25/136361/5-things-to-know-about-communities-of-color-and-environmental-justice/>

¹³

<https://www.calhealthreport.org/2019/02/08/people-of-color-and-the-poor-disproportionately-exposed-to-air-pollution-study-finds/>

¹⁴ <https://www.brookings.edu/articles/unequal-opportunity-race-and-education/>

learning sites, physical spaces for school and community stakeholders to learn and work together for the future they want, and physical spaces for school and community stakeholders to celebrate together.

Broadband

Establish a statewide broadband definition

- A primary challenge in directing resources to expanding broadband access at the local and state level is the restrictive policy that results in the undercounting in FCC statistics on coverage. Current FCC law says speed is determined by the fastest service in any one building in a census block. A uniform, inclusive statewide definition would allow for accurate mapping of broadband availability. This will help address the racial and income discrepancies fueling the digital divide in the US.¹⁵

Allow and support municipally owned broadband networks

- Over 500 communities have invested in creative public networks and over 300 of these communities are served by a cooperative, providing essential access to Americans and healthy competition to internet service providers. However, 25 states have laws on the books that ban or significantly impede municipally-owned broadband networks, affecting over 11 million Americans currently unconnected in those states. The directive here would be to create and expand municipal broadband where allowed, for the same reasons as above.

Legislation that ASBC Supports

The Saving Our Streets (SOS) Act

Congress authorized the Paycheck Protection Program (PPP) to provide financial support and stability to these affected businesses. Yet our micro-businesses, generating almost \$3 trillion in sales and receipts annually and accounting for most minority-owned businesses, continue to be left out and left behind. Without action, the bodegas, barbershops, and beauty salons that serve as backbones of our communities are at high risk of failing, depriving millions of economic mobility and security and further widening the racial and gender wealth gap. Main Street small businesses are receiving relief, but more must be done to save our street, too.

- Senator Harris' and Rep. Pressley's [Saving Our Street Act](#) provides critical funding to businesses and non-profits that are simply too small to fail. Specifically, the legislation:

15

<https://www.pewresearch.org/fact-tank/2019/05/07/digital-divide-persists-even-as-lower-income-americans-make-gains-in-tech-adoption/>

- Provides up to \$250,000 in direct grants to micro businesses or nonprofits through the newly established Microbusiness Assistance Fund that can be used for payroll, rent and mortgage, utilities and other business expenses, including PPE and hazard pay.
- Sets aside 75% of the \$120 billion in funding for historically underrepresented businesses including minority-owned and veteran-owned businesses
- Requires a report about the ethnicity, race, industry, geographical demographics, and gender of grant applicants and recipients.

H.R.-Commission to Study and Develop Reparation Proposals for African-Americans Act

We stand with [Ben & Jerry's](#) in supporting H.R. 40, a [Commission to Study and Develop Reparation Proposals for African-Americans Act](#) which will create a commission to study the effects of slavery and discrimination from 1619 to the present and recommend appropriate remedies. Explicitly, the commission will identify:

- The role of the federal and state governments in supporting the institution of slavery
- Forms of discrimination in the public and private sectors against freed slaves and their descendants
- Lingering negative effects of slavery on living African-Americans and society

H.R. 6800-HEROES Act

ASBC is asking the Senate to act on passing the [HEROES Act](#) (H.R. 6800), in order to take an integral step in accelerating our economic recovery. Expected to be taken up for vote in June, the HEROES Act expands on the CARES Act to serve as the next major economic recovery package in response to COVID-19. The bill provides a second stimulus check, debt relief, student loan forgiveness, hazard pay, six more months of COVID-19 unemployment, housing and food assistance, and nearly \$1 trillion in aid for state and local governments to pay essential workers at risk of losing their jobs due to budget shortfalls. The HEROES Act also amends the Paycheck Protection Program, allowing companies to use a larger percent of their aid for non-paycheck related expenses.

H.R. 6886-Paycheck Protection Program Flexibility Act

As the [Paycheck Protection Program Flexibility Act](#) (HR 6886) heads to the Senate for vote, ASBC is highlighting its support for the bill. The Flexibility Act improves on the PPP by providing for:

- Borrowers to apply for a PPP loan up to December 31, 2020 (assuming PPP funding remains available).
- Instead of an eight-week period to spend PPP funds, borrowers have a 24-week period after the PPP loan is approved or until the end of 2020 (whichever comes first) to spend PPP funds and qualify for loan forgiveness.
- The requirement to spend 75% of a PPP loan on payroll costs for maximum loan forgiveness has been reduced to 60%.

- For new PPP loans approved after the law is passed, the loan term is five years. (Existing PPP loans would still have a loan term of two years.)
- Borrowers can defer payroll taxes on PPP loan proceeds used for payroll.

H. R. 6918-The Paycheck Recovery Act

[The Paycheck Recovery Act](#) (HR 6918) was introduced in the House in early June. It is the most comprehensive and maximally beneficial economic relief during this crisis. While the Paycheck Recovery Act does address gaps in the PPP, the Paycheck Recovery Act is scaled appropriately to meet the needs of all businesses in the U.S.

H.R. 6683-The Relief for America's Small Farmers Act

- This would provide economic relief for small farmers suffering from massive financial losses due to reduced demand and supply chain disruptions during the coronavirus pandemic.
- *The Relief for America's Small Farmers Act* will alleviate debt, keep farms open, and fortify the nation's food supply, providing direct relief to the nation's most vulnerable farmers.
- [Championed by US Senator Kirsten Gillibrand](#) and, she says "The CARES Act does not go far enough to sustain small farms through this difficult time; they need urgent and direct loan forgiveness so they can continue maintaining operations, paying their workers, and keeping food on Americans' tables."