

LPPS 5360

September 23, 2022

Maria Morrissey, Owayne Owens, Victoria Hume

Definitions of Equity

Generally the Department of Treasury talks about equity through a class and racial perspective, noting the racial wealth gap and how tax and economic policy impacts people of color in inequitable ways. DOT defines equity also by how COVID has brought gaps in wealth and systemic issues for people of color. DOT's first initiative to address pandemic driven inequities is their American Rescue Plan. This plan explains how the DOT will follow initiatives outlined in their Agency Priority Goal document, and how they will create "robust pandemic response programs," to bridge wealth and racial inequities. DOT discusses inequities in how tax programs benefit certain communities rather than others, and labels the communities that do not receive these benefits as "underserved communities," which they also imply are typically communities of color. To combat inequities within tax policies DOT has established a Tax Program to analyze how tax codes impact different ethnic groups. Unlike the American Rescue Plan, DOT has already taken action on this equity initiative by establishing an initial methodology for their research initiatives. DOT also recognizes that tax policies bring about inequitable wealth advantages for some, but argues they cannot do anything to address equity through their work to collect debts because it is not within DOT's legal power to do so. The last way DOT talks about equity is by small business ownership. DOT argued they are working on ensuring contracting and procurement efforts create more opportunities for small businesses, and they created a Treasury and Procurement Equity Council to address equity within procurement.

Like the Department of Treasury, The Department of Housing and Urban Development also talks about equity in terms of helping 'underserved communities.' However, HUD views the goal of equity is to elevate the needs of 'underserved' communities that would otherwise be overlooked by the federal government. These communities as mentioned in their equity plan are: individuals who have been discriminated against through housing policies, Black and Hispanic individuals, LGBTQ and disabled individuals, and tribal populations. HUD acknowledges that historically, their department has had programs that went against their new ideals for equity, and through this new equity plan, they hope to address and reduce some of the gaps and disparities in housing relations. As it relates to the criteria for equitable policies that we set in class, HUD's equity plan appears to be inclusive based on their mission to include communities that have been historically disadvantaged. The department also exemplifies the criterion of acknowledgment of ignorance, through admitting very early in their plan that they have had their shortcomings in the past. Through their different action items, they laid out goals that they set out to achieve which is another criterion we established as a group for equitable policies. What stands out about the HUD equity plan is their transparency in how they plan to track the progress of the plan and the measures they plan to implement to hold themselves accountable. There is also a lot of quantitative data that supports each action item which is an indicator of the department's belief that equity and equitable policy should be well-informed by the right data sources.

The U.S. The Department of Labor (DOL) also talks about equity as aiding the wellbeing of 'underserved' communities, but DOL also mentions how equity is aiding "marginalized, and excluded communities, recognizing that by doing so we improve working conditions and economic opportunities for all workers." DOL's equity action items they refer to as "ambitious." Their five action items are as follows: (1) enforcement of wage and hour laws; (2) administering

and improving the federal-state Unemployment Insurance system; (3) broadening access to DOL programs, services, and information for workers with limited English proficiency; (4) expanding sector-based training and employment strategies; and (5) diversifying the federal workforce by building new pathways into government apprenticeships. Alike DOT, and HUD, the domain the DOL overtly works on is economic, however we noted the inclusion of a social domain within their action items. Throughout their plans, the DOL calls out the primary beneficiaries as low paid workers (non-citizen workers, Hispanic workers, women workers, and black workers), individuals who lost their job for good cause or no fault of their own, marginalized communities and underserved workers, and those with limited English proficiency. All action items largely focus on improving the procedural functions of the DOL. As a result of changing their processes, they are recognizing the historic exclusion of marginalized communities from their purview and the ways the DOL has failed to protect vulnerable workers as a result of race, ethnicity, class, gender, or geography. For example, they recognize that primary beneficiaries are vulnerable to minimum wage violations, the current system of unemployment insurance provides unequal access to benefits for marginalized communities, the labor force reported limited English proficiency (totaling over 14 million workers), and black workers are 65% more likely to be unemployed than their white counterparts. The DOL views equity as increased workers' awareness of rights and knowledge of how to file complaints, improving timely access to benefits for eligible workers, ensuring that all workers are fully aware knowledge of their rights and the process for exercising their rights in the event of a potential violation and able to report any suspected violations to appropriate authorities without fear of retaliation, and lastly, developing the welfare of job seekers by improving their working conditions and advancing opportunities for profitable employment.

Limitations and Recommendations

A limit to the Department of Treasury's plan is that it is often very vague in what it is actually doing to address equity. For example in the American Rescue Plan by just saying they will follow the Agency Priority Goals this does not give us any sense of how they are actually taking up action. Therefore we see DOT tends to make broad vague statements of what they will do about equity without explaining how they will do these things. Another limitation is that there is a lack of historical context to how DOT defines equity and the issues it discusses, even though DOT talks about the intersection of race and class inequalities which has important historical background (slavery) they could have incorporated. For example in the discussion of equity within the Tax Program, DOT just mentions socioeconomic divides within communities but not how these came about and how they are systemic. Another limitation is how the Department of Treasury conflates low income communities and communities of color to be the same in their messaging and wording of equity especially through the use of "underserved communities." An obvious final limit to this plan is that DOT made the judgment that they cannot do anything legally to address inequalities within debt for the Treasury Offset Program. This garners the question of how true this legal limitation really is and whether or not it is just a cop out so they do not have to exert scarce resources and time in this area. However, unlike other agencies who may have just framed what they were already doing through the lens of how it helps equity, DOT has actually created specific new initiatives to help issues of equity. For example they updated their procedures to allow for more small business opportunities within procurement and the new council as discussed above. DOT's does a good job keeping an intersectional perspective of

connecting how class and ethnicity work together to make inequities. However, by defining equity in a way that is narrowed to just race and class, it ignores other factors such as gender, sexuality, age, geographic location, that contribute to the economic inequities DOT has more direct control over.

Next, let's consider limitations to HUD's equity plan. First, HUD's plan is strong in that it considers inclusiveness, historical contextualization, acknowledgement of ignorance, and being properly informed. However there are areas that could benefit from the addition of other elements that make up an effective equitable policy plan. Under the homeownership option, the department's goal is to eradicate the racial homeownership gap, but the outlined action items were largely vague and broad in their scope and target audience. The plan made mention of "Applying knowledge gains from the outreach pilot to individuals on access to credit to inform program design across relevant program areas." While this might have appeared to be useful from the perspective of the professionals who wrote the plan, there is no clearly defined way how this action item will reduce the racial homeownership gap for communities who live through this disparity. The plan also seemed to take on a savior role instead of utilizing more co-creation, that would give the groups they intend to serve a seat at the table and allow them to help design and implement more effective solutions. As for the data presented in the plan, it is purely quantitative with no stories or narrative that attempts to humanize the individuals and communities that have been discriminated against through unfair housing policies. The overall effectiveness of the plan is difficult to predict given its ambiguity and its failure to include communities that are facing discrimination at the decision table. While the department has covered some of the important requirements of what comprises an equitable plan, there is room for improvement through the addition of others such as qualitative data, including more well-informed actors, and being more direct and intentional with their action items.

DOL's equity action plan was strong in that it laid out how DOL is working within their existing structures and programs to improve equity. However, we found that the DOL's equity action plan was not as transformational as their language boasts. The working theory of change in this action plan is improving workers awareness and knowledge of the DOL system and processes. This continues the status quo of their agency by putting the onus on the most vulnerable and marginalized workers to navigate a federal agency's system. Thus, DOL largely did not create new initiatives within their agency to combat equity, but they just worked to make 'underserved' individuals more aware of what they are already doing to help inequities. Therefore the burden of achieving equity within this plan is more on the 'underserved' communities as they have to take action to utilize HUD's resources to achieve better outcomes. Given this critique, we recommend that the DOL not only improves their internal processes but consider new ways for how they can alleviate the burden of responsibility to act from workers to the DOL to improve equity.

Conclusion

Overall DOT, HUD, and DOL's equity plans defined equity in terms of bridging wealth and racial gaps in achievement, outcomes, and opportunity. They all offered different ways of bridging racial and economic gaps, but generally all of their definitions of equity excluded or did not talk much about other forms of identity that impact achievement, opportunity, and outcomes. HUD was the most historically situated plan, and they all struggled with vague wording and not always completely explaining how they will achieve their specific goals. DOT and HUD both implemented new initiatives more to combat inequities, where DOL primarily focused on

growing capacity to access their pre-existing resources that tackle inequities. We believe all three are strong starts to envisioning equity within policy, but recommend more input from communities impacted by inequities and DOT, DOL and HUD policies in order to see more inclusive and intersectional change.