



2023 Lead Policies

The Center for Economic Inclusion (the Center) is the nation's first organization dedicated exclusively to closing racial wealth gaps and creating regional economies that work for everyone.

The Center equips public- and private-sector employers and policy makers to close dismantle systemic racism and institutionalize anti-racist policies in shared accountability and solidarity with Black, Indigenous, Latino, and Asian communities.

Our Approach

The future of Minnesota's economic growth and competitiveness relies upon the willingness of policymakers to enact and invest in anti-racist policies and solutions. To support policy makers in building an equitable, just, and prosperous economy, the Center for Economic Inclusion:

- » Advocates and lobbies for anti-racist local, state, and federal public policies.
- » Partners with racial and economic justice organizations, policy makers, employers, workers, and communities to address the conditions of systems change, including policies, practices, resources, power, relationships, and mental models.
- » Advocates and lobbies for specific solutions and policies developed in coalition with the Postsecondary Readiness and Attainment Policy Committee, Racial Equity & Joy Coalition, and Racial Equity Impact Notes Coalition.

POLICY: Racial Equity Impact Notes

The problems of racial inequity in Minnesota require systemic solutions. The Center has developed Racial Equity Impact Notes to provide policymakers with the information they need to make equitable, data-informed decisions. These notes would be created by nonpartisan staff in a process similar to fiscal notes.

\$XXXXXXX Direct Appropriation

The Center has been committed to developing data-informed tools and frameworks to assist Minnesota's employers in becoming more equitable.

Some of our wide-ranging services include:

- A private sector index (and soon a public sector index) to help employers measure their level of racial inclusivity.
- Project Vanguard, a business accelerator program that provides business with grants and procurement opportunities.
- Equity consulting services that guide clients through bespoke projects to improve racial equity within their organizations.
- Public policy advocacy designed to reduce economic racial gaps.

POLICY: Increase State of Minnesota Procurement Preference and Equity Select Cap

The State of Minnesota currently allows the Commissioner of the Department of Administration to award a 6% preference to businesses owned by women, minorities, economically disadvantaged people, and people with substantial disabilities. These groups are also eligible for the “Equity Select” program that allows the state to directly contract with businesses up to \$25,000.

While these goals have allowed for increased contracting with these identified groups, research shows there is more capacity to contract with these businesses.

Support the Department of Administration’s proposed policy to increase the preference to 12% and direct contracting amount to \$100,000.

POLICY: Address the Benefits Cliff

For many Minnesota workers, public benefits help them cover household needs and expenses that regular income does not. With much of Minnesota’s job openings offering low wages and amidst inflation, families are feeling the pressure. Benefits cliffs force them into difficult situations where they must decide between the stability of a benefit or taking new employment that does not cover household needs but exceeds income thresholds.

Lengthen the income reporting requirement from monthly to six months. This will increase family stability while allowing workers to better position themselves to transition of public benefits.

Allow youth under 21 years of age to remain continuously eligible for Medical Assistance regardless of income changes. 23 states already allow for this.

POLICY: Create Minnesota Child Tax Credit

Childcare costs have drastically increased since 2020. According to a Lending Tree report, the average annual cost of a childcare center pre-pandemic was around \$11,000 and has risen to \$18,000—a 60% increase. Additionally, Minnesota families pay approximately 18% of their income towards childcare, which is the sixth most expensive in the United States.

Modeled after President Joe Biden’s Child Tax Credit in the ARP, establish a childcare credit for children ages 0-4 and 5-17 years old, the credit amount is and \$1,200 respectively.

The income phase out is at \$150,000 for married-joint filers, including \$112,500 for heads of households and \$75,000 for others.

POLICY: Constitutional Affordable Housing Amendment

The National Low-Income Housing Coalition estimates Minnesota’s affordable housing shortage at 99,661. Furthermore, all areas of Minnesota, from the Twin Cities to Greater Minnesota, have reported workforce housing shortages.

Support a constitutional amendment dedicating revenue to the subsidization and construction of affordable housing.