



LISC's Policy Priorities

Executive Summary

LISC's 40-plus-year history as a community development organization has taught us that people thrive when their communities are supplied with a set of interconnected physical, social, and economic assets. Our approach is comprehensive, embracing affordable housing development, workforce training, initiatives for better health and safer public spaces, and much more. Last year alone LISC invested \$2.8 billion in hundreds of historically underserved communities across the United States, with a focus on those communities and populations that are the most disconnected from mainstream financial resources.

Working closely with thousands of local partner organizations—non-profits with deep roots in their distinctive communities – LISC brings resources and technical assistance to city neighborhoods and rural areas that too often have been isolated from American opportunities. Our initiatives focus first and foremost on equity and inclusion, which we know are the basis for a prospering, resilient nation.

Our efforts are enhanced through federal commitments—in the form of both policy development that helps set the agenda for revitalizing disinvested communities and funding that puts that agenda in motion. Federal commitments are the linchpin of LISC's public-private partnership investment model, helping us attract billions of dollars of private capital each year to places it would not otherwise go.

We care deeply about the fine points of federal programs and appropriations; we have seen the difference they make. Here we advance LISC's policy priorities for federal action, which include a mix of aspirational ideas, legislative proposals that can pass a divided Congress, and proposals that can be implemented through administrative action. Updated from our original report released in 2020, these priorities cover seven areas of community development across 17 separate federal agencies, as summarized below. In addition, we have developed separate appendices to highlight how specific proposals will: [1\) help close the racial health, wealth, and opportunity gap](#); [2\) support economic recovery in our rural communities](#); and [3\) support disaster recovery and climate resiliency efforts](#).

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We are committed not just to pursuing action on the items highlighted in this document, but also to identifying additional opportunities for policy development and advocacy in the coming months and years across the following seven areas:

Capacity Building, Leadership, and Innovation

Community development relies on the knowledge and hard work of change agents at the local level. We must invest directly in these organizations to support their capacity to deliver critical services, and to help them develop innovative approaches that can be replicated in other communities.

We advocate for federal policies that:

- Support **capacity building and technical assistance**, in particular through increased funding of programs at the U.S. Department of Housing and Urban Development (HUD) and U.S. Department of Agriculture (USDA) that build the capacity of community development corporations in urban and rural communities, and through provision of technical assistance to small local governments under HUD's Community Compass initiative.
- Make **fostering innovation** a priority, for example by supporting federal evidence-based practices like the Social Innovation Fund, expanding cross-agency demonstrations, and financing "Pay for Success" initiatives.
- Promote **national service** by fully funding AmeriCorps, creating a Civilian Climate Corps, and providing funding for the Economic Mobility Corps, which places AmeriCorps members at certified community development financial institutions (CDFIs).

Economic Development

Investing in inclusive economic development initiatives ensures that low-income individuals and families can fully participate in the economic growth of their region and build wealth within their communities.

We support federal initiatives that:

- Enhance critical **community development** programs at Housing and Urban Development (HUD), the U.S. Department of Commerce, U.S. Department of Agriculture (USDA), the U.S. Department of Health and Human Services, the U.S. Environmental Protection Agency (EPA), and the National Endowment for the Arts.
- Strengthen **public-private partnerships** by making New Markets Tax Credits permanent, adding accountability measures and community-benefit incentives to the Opportunity Zones initiative, and modernizing the Community Reinvestment Act to ensure beneficial community outcomes.
- Boost **investments in CDFIs** via, for instance, a new tax credit for investors in CDFIs, access to the secondary market for CDFI loans, and substantial new funding for the U.S. Treasury Department's CDFI Fund.
- Broaden **equitable access to entrepreneurship** by expanding lending, contracting, and technical-assistance programs for small businesses, enterprises owned by people of color, and others underserved by traditional lenders, and through robust funding of the Small Business Administration and Minority Business Development Agency.

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- Expand **inclusive economic development** resources through enhanced investments and reauthorization of the Economic Development Administration, including through the passage of the Revitalizing Small and Local Businesses Act.
- Promote programs that support **climate resiliency**, disaster mitigation, and energy efficiency retrofits in lower-income communities, including the Greenhouse Gas Reduction Fund at the EPA.

Education

Education is a sound predictor of well-being and economic stability.

We encourage the federal government to adopt policies that:

- Support **early childhood facilities** through, for example, legislation that would create dedicated federal funding for the new construction or renovation of facilities, and the establishment of technical-assistance and small business supports tailored to the needs of child care business operators, the majority of whom are women and/or people of color.
- Assist with **charter school financing**, in particular by increasing funding for and improving the U.S. Department of Education's Credit Enhancement for Charter Schools Program.
- Increase **postsecondary education** opportunities for low-income families by expanding Pell Grant eligibility, investing in community colleges and historically Black colleges and universities, and promoting partnerships between community colleges and local industries.

Family Income and Wealth Building

In an era marked by growing economic inequality, we must work to expand opportunities for all families, especially those in marginalized communities, to build income and wealth.

We endorse federal initiatives that:

- Improve opportunities to build **credit and savings** by, for instance, enhancing protections against predatory lending, ensuring affordable access to banking and credit services, and providing funding for federal programs that help low-income families build wealth.
- Support **financial coaching** and tax preparation services, by incentivizing workforce development programs to incorporate financial coaching, using the resources of the Consumer Financial Protection Bureau to support financial coaching, and making sure the Volunteer Income Tax Assistance (VITA) program of the Internal Revenue Service is fully funded.
- **Strengthen incomes** by increasing the federal minimum wage, expanding and improving the earned income tax credit and child tax credit, and bolstering vital social safety net programs.
- Promote **digital inclusion** by extending the Federal Communications Commission's Affordable Connectivity Program to subsidize broadband services for low-income families, modernizing the Lifeline program, and implementing key programs at the U.S. Department of Commerce focusing on digital equity projects.
- Invest in **workforce development and support bridge programming** by reauthorizing and fully funding the Workforce Innovation and Opportunity



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Act to encompass more inclusive approaches that increase support for capacity-building initiatives, better leverage community-based organizations, and enhance the provision of integrated services.

Health

Disparities in health and longevity are tightly linked to physical, social, and economic conditions. Reducing these disparities is a cornerstone of LISC's holistic strategy to improve health and well-being in underserved places.

We support federal policies that:

- Address **social determinants of health**, for example by implementing networks linking health and social services and leveraging Medicaid funding streams and non-profit hospitals' community health needs assessments (CHNAs) to support investments that will create healthier environments.
- Improve the **provision of health care** in underserved communities through, among other things, substantial long-term funding commitments for federally qualified health centers and permanent adoption of COVID-19-related changes in federal policy that make it easier for people to receive telehealth services.
- Ensure all **healthy food** is available and accessible to all communities, including by robustly funding food-access projects through the USDA and the CDFI Fund.

Housing

Access to safe, decent, and affordable housing is essential for the health and economic well-being of every family—and to the viability of every community.

We support federal strategies that:

- Develop, preserve, and widen access to **affordable rental housing**, for example, by expanding the Low-Income Housing Tax Credit (LIHTC) program, expanding and improving the Section 8 Housing Choice Voucher program, and improving other key affordable housing development programs such as the HOME Investment Partnerships Program and the Capital Magnet Fund.
- Fight **homelessness** by increasing HUD resources for assisting unhoused people and expanding veterans' eligibility for supportive housing and clinical services.
- Restore robust **fair housing** policy, focusing on the Affirmatively Furthering Fair Housing (AFFH) and Disparate Impact rules that have allowed local communities to actively address housing policies that are discriminatory in intent or effect.
- Promote **homeownership** for low-income people by, for instance, sufficiently funding HUD's down-payment assistance programs and passing legislation to scale the land-bank sector and to create incentives to develop and rehabilitate homes in underinvested communities.

Safety and Justice

For 25 years LISC has been operating a dedicated safety and justice program. We spearhead initiatives that allow local people to work together to reduce crime, support formerly incarcerated individuals as they return to community life, and strengthen understanding between police and the people they serve.

LISC endorses federal actions that:

- Promote collaborative approaches to **community safety**, for example by funding the Community Based Violence Intervention and Prevention Initiative at the U.S. Department of Justice, by establishing a federal framework that brings police and community groups together to plan for and respond to major incidents, and by dedicating substantial funds for programs that prevent violence and victimization in schools.
- Uphold **justice** for every individual and all communities by, for example, funding pre-entry and re-entry programs that help dismantle pipelines to prison and supporting formerly incarcerated persons in reintegrating successfully into local communities.